FBIS DAILY REPORT

Soviet Union

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TASS REPORTS 12 AUGUST NUCLEAR BLAST IN YAKUTIYA

LD120303 Moscow TASS in English 0302 GMT 12 Aug 87

[Text] Moscow August 12 TASS -- An underground nuclear explosion with a yield of up to 20 kilotons was conducted in the Soviet Union, in Yakutiya, today at 05 hours 30 minutes Moscow time.

The explosion was staged in the interests of the national economy.

NAZARKIN COMMENTS ON CHEMICAL ARMS INSPECTIONS

Supports 'Challenge Inspection'

LD111334 Moscow TASS in English 1327 GMT 11 Aug 87

[Text] Geneva August 11 TASS -- The new Soviet initiatives directed at speeding up talks on the prohibition of chemical weapons, set forth by Eduard Shevardnadze on August 6 at a plenary meeting of the Conference on Disarmament, are getting widespread support, it was stated by Yuriy Nazarkin. The head of the Soviet delegation at the Conference on Disarmament spoke at a regular meeting here today.

The Soviet foreign minister stated that the Soviet delegation at the talks on this question will proceed from the need to make legally binding the principle of mandatory challenge inspections without right of refusal, the head of the Soviet delegation went on.

It can be said without exaggeration that this problem now is the key one at the talks. Advance along a whole number of other directions depends on its speediest solution. The purpose of our new initiatives is to make a tangible contribution to the speediest solution of this problem, Yuriy Nazarkin said further.

On making an all-round study of the existing situation and striving to facilitate the speediest attainment of accord and also proceeding from the need to establish the strictest control over observance of the convention on chemical weapons the Soviet Union decided to go further than the British proposal by accepting the principle that these inspections should be mandatory. We are now applying the mandatory nature of inspections to all possible cases and making this principle universal, Nazarkin said further.

In our opinion the procedure of conducting challenge inspections should reliably ensure the impossibility for a state to conceal the fact and consequences of a violation of the convention, the head of the Soviet delegation stated.

It goes without saying that each challenge should contain the necessary data: what provision of the convention was violated, where and when this suspected violation happened or is happening, and the substance of the suspected violation.

We hold that the challenge for inspection can be made by every signatory state of the convention without exception, the head of the Soviet delegation said further. All should have equal fights. There should be no discrimination whatsoever in connection with the form of ownership of those sites and installations that must be checked.

In our opinion the demand for inspection can be made in respect of any facility and any site on the territory of a signatory state or under its jurisdiction or control, and also belonging to any physical or juridical person of the signatory state regardless of location. This, we believe, would be the necessary condition for making challenge inspections a really effective instrument.

The question of the bodies that will be set up in accordance with the international convention has been discussed lately ever more vigorously and in greater detail, Yuriy Nazarkin said. We believe that a preparatory commission consisting of states that signed the convention should be set up after the convention has been signed. This commission, in particular, would work out the necessary measures for the convention's entry into force and implementation (recruitment of staff members of the technical secretariat, the working out of the rules of procedure of the bodies that will be set up under the convention, financial questions, etc). This should be followed by the setting up of the bodies which would begin to function after the convention's entry into force.

In our opinion the speediest completion of work on the convention prohibiting chemical weapons demands the most intensive utilisation of the possibilities that we have, Yuriy Nazarkin said. In this connection I would like to draw attention to the question raised by Eduard Shevardnadze on August 6 about holding this year an additional session of the conference with the aim of completing most of the drafting of the convention, the head of the Soviet delegation said in conclusion.

Details Policy Guidelines

AU111355 Paris AFP in English 1350 GMT 11 Aug 87

[Text] Geneva, Aug 11 (AFP) -- The Soviet Union suggested Tuesday in talks here on banning chemical weapons, that alternative verification methods, such as "visual observation," could be used to avoid risks of abuse in a system of on-site inspection. The proposal was made at U.N.-sponsored talks here which aim to introduce a new international convention totally banning the manufacture or stockpiling of chemical weapons.

On Thursday, Soviet Foreign Minister Eduard Shevardnadze told the conference that Moscow accepted the principle of urgent on-site verification if a country was suspected of violating the terms of the new convention.

Soviet representative Yuriy Nazarkin explained Tuesday that alternatives to the "thorough inspection of the suspect site" should also be envisaged to avoid abuses of the convention to obtain information unconnected with the manufacture of chemical weapons.

"Such measures must not weaken the principle of mandatory inspections or make exceptions to it," Mr. Nazarkin added. Alternative proposals should also be approved by the country challenging another government, he said.

In Moscow's view, the deadline between a request for verification and carrying out the demand should not exceed 48 hours. Verification procedures should include "a complete access to the facilities by the inspectors." There should also be "visual observation of the facility from the outside, photographing it, chemical samples analysis, a partial access inside the faciity," Mr. Nazarkin said.

In the event of unjustified suspicions, the accused country should be allowed to ask for compensation for the losses incurred through the closure of the works due to inspection, Mr. Nazarkin proposed.

The Soviet representative added that the Shikhany works where chemical weapons were being destroyed would be open to inspection on October 7-8 this year, ten days before the inspection of a plant in the U.S. state of Utah offered by Washington on Monday.

KARPOV HOLDS FOREIGN MINISTRY BRIEFING 11 AUGUST

'FRG Must Take Position' on Arms

LD111348 Moscow TASS International Service in Russian 1213 GMT 11 Aug 87

[Text] Moscow, 11 Aug (TASS) -- At the Soviet-U.S. talks in Geneva the most promising direction at present is the problem of medium-range missiles and operational and tactical missiles, said Viktor Karpov, chief of the USSR Foreign Ministry Problems of Arms Control and Disarmament Administration, at a briefing here today. The Soviet proposals on the "global double-zero" on these two classes of Soviet and U.S. arms open up real opportunities for achieving accords in the nearest future. At the same time, the issue that, in essence, has become the main obstacle on the way to an agreement remains. This is the of the issue West German Pershing-1A missiles and the U.S. warheads for them.

Speaking at the Geneva Conference on Disarmament the other day, USSR Foreign Minister Eduard Shevardnadze posed the question bluntly to the United States and the FRG: Which of them is responsible for maintaining this obstacle, and what do they intend to do to make an agreement possible?

It is already difficult to hide behind diffuse formulas about the "systems of third countries". It is clear that the warheads for the Pershing 1A missiles belong to the United States; at least, neither the U.S. nor the West German spokesman deny that. It is these warheads the Soviet Union is talking about at the negotiations with the United States on medium-range missiles and operational and tactical missiles. We are not raising the question of eliminating the West German Pershing-1A missiles, we are raising the question of eliminating U.S. warheads for missiles of the operation and tactical missile class. The United States gave its agreement to the "global double -zero," and to secure such a solution, missiles in the 500-5,500 km range and the warheads for missiles of these classes should be eliminated. This concerns all Soviet and U.S. means, regardless of whether they are intended for their own missiles or for missiles belonging to another country. We cannot accept a solution that would leave open the possibility of evading the accords. Yet the United States would like to leave such a possibility open by leaving at its disposal the warheads for the Pershing-1A missiles.

Despite certain widespread views in the West these warheads are not some "trifle". The power of the 72 warheads for the Pershing 1-A's equals that of 216 atomic bombs like the one dropped on Hiroshima. We do not have the right to ignore this potential from the view of the security of the Soviet Union and its allies. We are talking to all intends and purposes about scrapping all Soviet medium-range and operational and tactical missiles while the United States maintains this potential, which is a direct threat to the security of the GDR, Poland, Czechoslovakia, and Hungary.

What is more, the United States would like to retain for itself the right to produce Pershing-1B missiles, to pass them on to the FRG to replace the Pershing-1A missiles. And this, in turn, means the possibility of returning the Pershing-2 to Europe, since it takes less than 48 hours to turn a Pershing-1B missile into a Pershing-2.

Thus, the accord to scrap medium-range missiles would become a fiction. This is why the Soviet Union considers it essential for the United States and the FRG to finally and clearly determine their attitude to this problem.

We are conducting negotiations with the United States and the solution must encompass Soviet and U.S. weapons, leaving no loopholes for evasion of the accords. But the FRG must take a position. The Bonn representatives' assurances to the effect that the FRG is not a nuclear power and has no desire to become such should be backed by real deeds. For the time being, however, there is a lot of talk, not about how to secure elimination of nuclear weapons in Europe, but about how to strengthen NATO's nuclear potential, including on FRG territory.

Plans are being discussed to arm Tornado aircraft with nuclear missiles; there is discussion of deploying [razmeshcheniye] French Pluton missiles in the FRG, of strengthening the British nuclear presence in the FRG, and so forth. One is put on one's guard, too, by statements from a number of FRG politicians close to the government, who, citing the fact that British and French nuclear weapons are not the subject of the Soviet-U.S. negotiations, would like the FRG to have the same status of the Soviet-U.S. negotiations on space and nuclear weapons as do the nuclear powers, Britain and France.

If one finally lays out the essence of the problem, it consists of the following: Bonn must repudiate its nuclear power pretensions and must not raise obstacles to the Soviet-U.S. accord on medium-range missiles and operational and tactical weapons.

For its part, the United States must take a responsible political decision; it must stop attempting to bargain military superiority for itself by means of the contrivances connected with the Pershing missiles and their warheads, and by means of other attempts to circumvent the planned agreements through its NATO allies. It is such a decision that is required for the agreement on "global double-zero" on medium-range missiles and operational and tactical missiles to become a reality.

Discusses FRG as Nuclear Power

LD111909 Moscow Domestic Service in Russian 1730 GMT 11 Aug 87

[Text] As we have already reported, a briefing on current questions of international policy took place for Soviet and foreign journalists today at the press center of the USSR Ministry of Foreign Affairs. Our special correspondent, Aleksandr Kuzin, reports:

[Kuzin] Comrade Karpov, chief of the USSR Foreign Ministry Problems of Arms Control and Disarmament Administration, who spoke at the meeting, dwelled on the Soviet-U.S. talks in Geneva. He stated in particular that the FRG Pershing-1A missiles and the U.S. warheads for them had become the main obstacle on the path to achieving a Soviet-American agreement on the elimination of medium-range and operational and tactical missiles. Questions were asked afterward.

Two of them drew my attention. The first was on the possibility of the FRG's gradual transformation into a nuclear power in connection with the unwillingness of the United States and the FRG to abolish the 72 U.S. warheads. In this regard, Comrade Karpov noted:

[Begin Karpov recording] We are now realistically facing the fact that, as a result of maneuvering within the NATO framework by both the United States and the FRG, and by the other NATO countries, a situation is being created that could bring one to the conclusion that perhaps there are some secret considerations about turning the FRG into a nuclear or near-nuclear power. [end recording]

[Kuzin] The second question was this: Th U.S. side asserts the talks in Geneva are on missiles and says that warheads need not be considered. Is this so?

[Begin Karpov recording] They weren't about missiles all the time, but also about warheads. Even the U.S. proposals submitted in Geneva said reductions would be carried out by calculating on the basis of warheads. That is, in the final analysis, in reducing medium-range missiles, it is the warheads that are counted. The United States has taken this approach from the very beginning, and it is for this reason that warheads have always been considered at the same time as medium-range missiles. The destruction of the warheads for medium-range missiles, just as for operational and tactical missiles of course, is the guarantee that these armaments will not be restored in contravention of the ban on which an accord has been reached. [end recording]

Denies SALT II Violation

LD111336 Moscow TASS in English 1317 GMT 11 Aug 87

[Text] Moscow August 11 TASS -- Neither the statement by Senator Helms and the White House statement nor the Western press reports that the USSR has exceeded the key limits of the 1979 SALT-2 Treaty by deploying new SS-24 ground-based missiles as well as submarine-launched missiles correspond to reality, Viktor Karpov, head of the Arms Control and Disarmament directorate at the Soviet Foreign Ministry, said today.

He made the remark in a response to a question at a briefing for Soviet and foreign correspondents.

Modernizing its strategic forces in full compliance with the provisions of the SALT-2 treaty, the Soviet Union is replacing obsolete stationary silo launchers with mobile intercontinental ballistic missiles. These replacements are allowed within the established limits.

Under the SALT-2 Treaty, the Soviet Union may have 820 MIRV'ed ICBM's. The number of MIRV'ed ICBM's the USSR has does not exceed this limit. THe Soviet Union may have a total of 1,200 ICBM's and SLBM's with multiple independently targettable re-entry vehicles. It has fewer than this. The combined number of the Soviet Union's ICBM's SLBM's and heavy bombers, which belong to a category that is limited to 1,320 systems under the SALT-2 Treaty, does not go beyond the limit either.

As far as the Soviet Union's replacement of stationary ICBM's with mobile ICBM's is concerned, it is meant to increase the survivability of Soviet retaliatory-strike forces. Mobility adds to survivability and hence it adds to stability and strengthens the retaliatory-strike forces.

American representatives at talks in their time agreed to this point of view as well. The Scowcroft Commission in the United States, too, recently expressed itself in favor of the U.S. having mobile rather than stationary ICBM's for enhancing strategic stability. So the Soviet Union's actions in question are in strict compliance with the SALT-2 Treaty.

The United States, by contrast, renounced compliance with the SALT-2 limits in a statement by President Reagan way back on May 27 last year and in November last year it exceeded those limits.

PRIMAKOV: REDUCTION AGREEMENT 'WITHIN THIS YEAR'

OW120609 Tokyo KYODO in English 0556 GMT 12 Aug 87

[Text] Moscow, Aug. 11 KYODO -- The Soviet Union and the United States will most likely reach an agreement on reduction or elimination of intermediate and shorter-range nuclear forces within this year, an aide of Soviet leader Mikhail Gorbachev said Tuesday.

In an interview with KYODO news service, Yevgeniy Primakov, director of the Institute of World Economics and International Relations, said Soviet and U.S. positions have become closer owing to Soviet concessions during two years of nuclear reduction talks with the U.S., and especially since Gorbachev made a new offer of a "global zero option." proposing the elimination of medium and shorter-range missiles from Asia and Europe.

But he said that the success of nuclear reduction talk will depend on the outcome of the meeting betwen U.S. Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze scheduled for September.

Primakov also said the Soviet Union is optimistic about a superpower summit.

Viktor Karpov, a director of the Soviet Foreign Ministry, told a news conference Tuesday guarantees will be needed to ensure that missiles are not reequipped with nuclear warheads once they have been eliminated.

GREMITSKIKH DISCUSSES MOSCOW TREATY, MISSILES

LD111832 Moscow TASS in English 1814 GMT 11 Aug 87

[Text] Moscow August 11 TASS -- The conclusion of the Moscow Treaty in 1970 was and remains an event of great historical significance as it laid the political ground for comprehensively normalizing relations between the Soviet Union and the Federal Republic of Germany as well as set the stage in principle for normalizing relations between the the FRG and other socialist states in Eastern Europe, including the German Democratic Republic, Yuriy Gremitskikh, first deputy head of the Soviet Foreign Ministry's Information Directorate, said in an interview with a TASS diplomatic correspondent today.

The Moscow Treaty has cleared the path to signing the quadripartite agreement on West Berlin and been the decisive political stage on the way to the successful outcome of the Conference on Security and Cooperation in Europe and the Helsinki Final Act.

In other words, the Moscow Treaty 25 years after the historic decisions of Yalta and Potsdam has lain as an indispensable cornerstone in the edifice of European peace arrangements.

Much has been said over the 17 years since the Moscow Treaty was signed about its significance to the USSR-FRG relationship: the document has furnished a stable political basis for developing it, which should be unfailingly taken into account and reckoned with in day-to-day politics. This has been confirmed, in particular, during a recent visit to the USSR by Federal President Richard von Weizsaecker of the FRG.

The history of relations between the USSR and the FRG after the signing of the Moscow Treaty has demonstrated graphically that it has served its purpose well as the sides have sought to observe it and fill it with living content. Honest and constructive political dialogue and mutual efforts are needed to foster a favorable climate in bilateral relations and step up trade, cultural exchanges and people-to-people contacts.

But the central problem, of course, is that of our countries' security, Gremitskikh said. The FRG today is confronted with a most pressing problem, that of facilitating a Soviet-American agreement on the global elimination of medium-range and shorter-range missiles, by contributing to the attainment of a "double-zero option" for these classes of weapons.

The problem of American warheads for West German Pershing-1A missiles is awaiting a solution. Looking for the West German Government to provide it are not only the governments and peoples of other countries but, as shown by public opinion polls, also by the majority of the people in the FRG as well.

GERASIMOV HOLDS FOREIGN MINISTRY BRIEFING

Reports PRC Border Talks

LD111258 Moscow TASS International Service in Russian 1235 GMT 11 Aug 87

[Text] Moscow, 11 Aug (TASS) -- The second round of Soviet-Chinese talks on border issues has opened in Beijing, USSR Foreign Ministry Spokesman Gennadiy Gerasimov said at a briefing here. The first session, which took place on 8 August, was addressed by the heads of the delegation.

Views DPRK Olympic Proposal

LD111302 Moscow TASS in English 1240 GMT 11 Aug 87

[Text] Moscow August 11 TASS -- "Today the Democratic People's Republic of Korea (DPRK) expressed consent to a joint holding of the 24th summer Olympic games in Korea's North and South, proceeding from the assumption that five so-called complete and one incomplete competitions would be held in the DPRK", Gennadiy Gerasimov, a spokesman for the USSR Ministry of Foreign Affairs, announced at a briefing here today.

"At the same time Pyongyang suggested that the fifth meeting of representatives of the DPRK, South Korea, and the International Olympic Committee be held in Lausanne before September 17, i.e., prior to the sending out of official invitations to countries which will participate in the forthcoming Olympics, and that matters pertaining to the joint holding of the Olympic games be discussed at the meeting".

"The DPRK's new proposal is supported in the Soviet Union", the spokesman pointed out. "It is believed here that the proposal provides a real opportunity for simultaneous holding of the 24th summer Olympic games in Korea's North and South".

IRAN ANSWERS UN RESOLUTION ON GULF CEASE-FIRE

Envoy Delivers Response

LD120424 Moscow TASS in English 0422 GMT 12 Aug 87

[Text] New York August 12 TASS -- The Iranian permanent representative to the United Nations organisation Rajaie-Khorassani presented on Tuesday to the United Nations secretary general the Iranian Government's response to the Resolution No. 598 adopted by the Security Council and demanding a cease-fire between Iran and Iraq.

During a subsequent conversation with journalists Rajaie-Khorassani refused to give details of the response contained in the letter from the Iranian foreign minister. He said the letter contained mostly comments on the resolution and a specification of those fields in which Iran would want to cooperate with the United Nations secretary general.

Replying to questions he contended that Iran was "not rejecting the resolution" but added that the question of the cease-fire was not dealt with concretely in Iran's response.

Perez de Cuellar Sees Reporters

LD120427 Moscow TASS in English 0425 GMT 12 Aug 87

[Text] New York August 12 TASS -- U.N. Secretary-General Javier Perez de Cuellar has described Iran's reply to the U.N. Security Council resolution on ceasefire between Iran and Iraq as "deserving careful attention".

In a talk with journalists held after the meeting with the permanent representative of Iran to the United Nations, who handed over to him a letter by that country's foreign minister Tuesday, he said that there was "no flat rejection" of the resolution in the Iranian reply but declined to comment in any way the content and the tone of the letter before its study.

The letter will be released as a document of the United Nations on Wednesday, Perez de Cuellar said.

UKRAINE UN MISSION SUBMITS LETTER ON MEDITERRANEAN

LD111624 Moscow TASS in English 1558 GMT 11 Aug 87

[Text] New York August 11 TASS -- The Permanent Mission of the Soviet Republic of the Ukraine at the United Nations Organization has sent a letter to U.S. Secretary General Javier Perez de Cuellar on the consolidation of security and cooperation in the Mediterranean region.

The letter said that as a result of the growing militarization of the region, primarily U.S. military presence and its interventionist actions against littoral countries, the situation continued to be tense in the Mediterranean. This found its expression in an open aggression against sovereign Libya, a blackmail campaign against Syria, interference in the internal affairs of the Republic of Cyprus and the opposition to a just and comprehensive settlement in the Middle East, the letter pointed out.

These actions run counter to the idea of proclaiming the Mediterranean a zone of peace, security and cooperation and pose a threat to universal peace.

The letter emphasized the need for turning the Mediterranean from an area of military-political confrontation into a zone of stable peace and cooperation. The attaining of this goal could be promoted by the putting into practice of a number of concrete measures suggested by the Soviet Union, specifically, the realization of the initiative on the withdrawal of Soviet and American naval fleets from the Mediterranean.

TASS REPORTS UPCOMING U.S. NUCLEAR TEST

LD120628 Moscow TASS in English 0627 GMT 12 Aug 87

[Text] San Francisco August 12 TASS -- The U.S. Department of Energy has announced the upcoming regular nuclear test. An underground nuclear explosion rated at between 20 and 150 kilotons will be staged Thursday at eight hours local time, according to a UPI report from the Nevada Nuclear Test Site.

The official spokesman warned that earth vibration caused by the explosion could be felt far beyond the test site. The owners of high-rise buildings in Las Vegas were recommended halting outdoor repair work.

The blast, which was code-named "Tahoka," will be the 11th announced underground nuclear test in the United States since the beginning of 1987. It is conducted by the Los Alamos Nuclear Laboratory for military purposes.

U.S. FIRES SHOT AS PENTAGON FLEXES 'MUSCLE' IN GULF

LD111557 Moscow TASS in English 1458 GMT 11 Aug 87

[Text] Moscow August 11 TASS -- TASS commentator Grigoriy Vasilyev writes:

A U.S. jet fighter has fired a missile at a suspected Iranian jet that appeared to be preparing for an attack against a U.S. Air Force surveillance plane in the Persian Gulf area, the ASSOCIATED PRESS (AP) news agency has reported.

Although the missile is believed to have missed the target, nevertheless the first U.S. shot has been fired in the area where an extremely tense explosive situation is keeping on [as received].

The Pentagon has concentrated an naval armada consisting of 24 combatant ships in the Persian Gulf and on the approaches to it. The number of servicemen on board the ships may reach 15,000 soon. The Pentagon does not conceal plans for a further build-up of military muscles in the Gulf area.

Formally Washington explains its actions by a desire to ensure the "freedom of shipping" and an uninterrupted flow of oil from the Gulf area.

In actual act, however, U.S. efforts are aimed at establishing U.S. domination in the region which not only possesses huge natural resources but is also of high stratetic importance.

It is not fortuitous that Washington which has adopted the so-called doctrine of "neoglobalism" has long proclaimed the Persian Gulf area, which is situated thousands of kilometres away from U.S. territory, to be a sphere of "U.S. vital interests".

Pursuing imperial, hegemonist goals, the United States seeks to make use of the almost-seven-years-long Iran-Iraq armed conflict to attain them.

The countries of the region have described the secret millions-worth shipments of U.S. arms to Iran as adding fuel to the flames of the raging war.

The constructive proposals contained in the Soviet Government's statement concerning the situation in the Persian Gulf retain their topicality in the current complex situation.

The statement (?suggested that) "all naval ships of non-Gulf states be withdrawn from the Gulf waters as soon as possible and that Iran and Iraq, for their part, refrain from (?actions) which would pose a threat to international shipping. Such measures and, besides, those taken within the context of a comprehensive settlement of the Iran-Iraq conflict, would contribute to allaying the situation and to eliminating the threat of expansion of the explosive seat of military tension."

PRAVDA 'REJOINDER' ON PRESIDENT REAGAN'S BROADCAST

PM111625 Moscow PRAVDA in Russian 11 Aug 87 Second Edition p 5

[Yu. Lanin "Rejoinder": "Voice from the Wall"]

[Text] President Reagan chose the measures adopted by the GDR 26 years ago to defend its sovereignty and economic interests as the topic of his regular Saturday radio broadcast to the nation. The erection of defensive structures along the GDR border with West Berlin was, as is well known, one of those measures.

But the ardor of the presidential address was directed against... glasnost in the USSR. It turns out (according to the President) that if people are to believe in it the stones making up the aforementioned border structure must be pulled down immediately. Given the "wall" is still standing, that means, Reagan argues, there is no glasnost.

That is the way it is. It seems some Western politicians are now drawing political and oratorical inspiration by prostrating themselves ostentatiously before these notorious stones. But is it really necessary to beat one's head against a wall, even the Berlin Wall? Does this latest head-banger really not appreciate the incommensurability of his ambitions and the reality of what is now happening in the Land of the Soviets? As for glasnost, that has already been adequately demonstrated and stands in no need of Washington's supreme approval.

Moreover, Reagan, clearly getting carried away, spoke about "Soviet imperialism." It apparently also gets in the way of people believing in the Soviet Union's sincere intentions. Without getting involved in a dispute on the interpretation of the Soviet foreign policy course, we can say that it does not need defending; let us merely point out that most of our planet's population associates the concept of imperialism first and foremost with those attempts to impose their will on everyone else and to establish their own narrow political and economic interests that have distinguished and continue to distinguish the U.S. ruling circles. So, whose radio station should be crying out?...

The President's address contains other clearly ill-considered rhetorical pearls regarding the "spirit of freedom," political prisoners, and so forth; that is to say, those areas that are very, very vulnerable in the United States today. And this gives grounds for a piece of advice based on a reworking of an English proverb, namely: "People who sit in White Houses should not throw such stones."

BRUTENTS LEADS DELEGATES TO U.S. COMMUNIST CONGRESS

LD111350 Moscow TASS International Service in Russian 1315 GMT 11 Aug 87

[Text] Moscow, 11 Aug (TASS) -- A CPSU delegation headed by Karen Brutents, candidate member of the CPSU Central Committee and deputy head of the CPSU Central Committee International Department, left Moscow for Chicago today to take part in the work of the 24th national congress of the U.S. Communist Party.

PRAVDA CITES NEW YORK TIMES ON 'COLD WAR HABIT'

PM120915 Moscow PRAVDA in Russian 11 Aug 87 Second Edition p 5

[TASS report: "NEW YORK TIMES Article: 'Thinking Policy Anew'"]

[Text] New York, 10 Aug -- "Kick the Cold War Habit" is the headline of an editorial article published in THE NEW YORK TIMES. The editorial says, among other things, that "after 40 years of cold war the United States now has a basis for thinking anew about policy toward the Soviet Union. Hostility will not evaporate, of course, and worries over containing Soviet power will legitimately continue. But changed circumstances demand that we approach these problems that alarm us in a more constructive way, with less emphasis on arms and more on diplomacy and cooperation.

"President Reagan can leave no greater legacy than to take account of the new realities of East-West relations and put forward new guidelines for managing the transition from 'cold war' to 'cold peace' and peaceful competition...

"While American politics too often has pulled policy toward extremes, thoughtful diplomats and analysts in an out of government have long agreed, for the most part, on certain principles:

"Deal honestly with the American people.

"Keep arms control at the top of the negotiating agenda. Limiting arms is not a substitute for policy but is the lead element. Preventing nuclear war remains the chief common goal. In small and steady steps it can build confidence in a new relationship on both sides.

"Do not link regional conflicts with other issues. Few instances of regional tension are simply or even mainly a product of U.S.-Soviet relations, but more often involve other countries' interests and politics too. No clean solutions, like carving spheres of influence, are possible or desirable. Regular, candid talks on what constitutes a vital interest, assurances against direct intervention, and greater regard for nations' right to self-determination would help. Meanwhile arms agreements and economic accords should be pursued on their own merits, without being linked to regional conflicts.

"Recognize growing common interests. Both states worry about terrorism, the environment, Islamic fanaticism, overpopulation, scientific problems, and the proliferation of nuclear weapons. Calmer relations present an opportunity to address these concerns more effectively.

"It will take strong leadership to liberate both sides of the fear and mistrust that have grown up over the years. Yet the chances of succeeding and of freeing hopes and energies to work toward more promising goals are better now than ever."

MOSCOW ECHOES PRC SUPPORT FOR DPRK PROPOSAL

OW010345 Moscow International Service in Mandarin 1500 GMT 30 Jul 87

[Text] China holds that the U.S. Government and the South Korean authorities should respond positively to the new and important proposal made by the DPRK and enter into serious consultations with the DPRK on how to ease the situation on the Korean peninsula. This is stated in the Chinese Foreign Ministry spokesman's statement released by XINHUA. The statement supported the 23 July 1987 statement made by the DPRK Government. The following is our observer's commentary on this report:

The Soviet people are very pleased to hear reports that the Soviet Union and China, the largest socialist countries in the world, hold identical opinions on important international problems, including that the problem of eliminating the cause of the long, tense situation on the Korean peninsula should be resolved. What concerns the Soviet Union and China is how to create the necessary conditions for the two sides on the Korean peninsula to end confrontation, for the U.S. troops to withdraw from South Korea, and for the two sides to hold dialogue aimed at achieving independent and peaceful reunification of the fatherland.

The Soviet Union and China support the new proposal spelled out in the 23 July 1987 DPRK Government statement. The new proposal was made for the very purpose of attaining the aforementioned objectives. People's Korea proposed a series of steps. The first step is for the two sides to carry out an initial reduction of armed forces between 1988 and 1991, bringing the number of troops on each side down to about 100,000 men by 1992. In addition, it is proposed that the United States gradually reduce its military presence in South Korea during this period. After the two sides have each reduced their troops to 100,000 men, all U.S. troops should be pulled out of South Korea. The United States should not only remove its nuclear weapons from South Korea but also dismantle its military bases there.

The Soviet Union has steadfastly taken the position that no foreign military bases should be established anywhere in the world and that all troops stationed in the territory of other countries should be withdrawn. Comrade Gorbachev, leader of the Soviet Union, completely affirmed the above position in his speech at Vladivostok.

The new proposal made by People's Korea has laid the concrete groundwork for Pyongyang, Washington, and Seoul to hold political talks. The purpose of the three-party talks would be to realize at an early date a stage-by-stage reduction of the foreign military involvement on the Korean peninsula. The proposal made by People's Korea called for holding such talks in Geneva in March 1988.

MOSCOW OBSERVER VIEWS SINO-SOVIET COOPERATION

OW110351 Moscow International Service in Mandarin 0300 GMT 10 Aug 87

[Text] On 8 August 1958, 29 years ago, an agreement was signed in Moscow on Soviet technical aid to China to build and expand 47 industrial enterprises and power stations. In this connection, our station observer, (Palsov), says:

[Begin recording] This agreement was signed between the two countries on the basis of the 1950 Soviet-Chinese Treaty of Friendship, Alliance, and Mutual Assistance. It was one of the agreement on trade, economic, scientific, and technical ties. Work in the course of implementing Soviet-Chinese agreements demonstrates to the world the new nature of international cooperation and the relations in other fields between the two great socialist nations. Cooperating with the Sovit Union and other socialist nations, the young People's Republic of China not only broke the blockage enforced by the imperialist countries headed by the United States, but also laid down the existing economic foundation.

Today we can reaffirm with satisfaction that after a standstill, cooperation between the two countries has once again started. Marked progress has been made in trade, economic, and cultural cooperation and other fields of cooperation. Political dialogue and consultations have been carried out continuously. The Government Agreement for 1986-1990 Trade Payments and the Agreement for Economic and Technical Cooperation for the Development and Expansion of China's Industrial Enterprises have greatly promoted economic and technical cooperation between the two countries. These agreements were signed in Moscow in July 1985.

On the basis of the first agreement, the total volume of trade will reach 12 billion rubles in 5 years, thus nearly doubling the 1985 level.

On the basis of the second agreement, a total of 7 new industrial enterprises will be built and 17 industrial enterprises renovated in China, including the Anshan Iron and Steel Company, the Baotou Iron and Steel Company, the Wuhan Iron and Steel Company, and the Luoyang Ballbearing and Tractor Plant.

The new projects include three thermal power plants with a total power generation capacity of 3.6 million kilowatts and an open colliery with an annual coal output of 20 million tons. All these projects are way below the potential of Soviet-Chinese cooperation. It can be said that such cooperation is boundless. [end recording]

FOREIGN TRADE OFFICIAL DISCUSSES PRC EXCHANGE

OW281355 Moscow International Service in Mandarin 0600 GMT 28 Jul 87

[From "History of Soviet-Chinese Cooperative Relations" program]

[Excerpts] Two years ago, in July 1985, the Soviet Union and China signed a goods exchange and payments agreement for 1986-1990 in Moscow. It was a long-term trade agreement in the history of trade and economic relations between the Soviet Union and China. Both the Soviet Union and China regard the agreement as a result of mutual efforts. It has been a basis for steady development of trade relations between the two countries. Station observer (Shemiteliyev) has asked Comrade (Sheryanova), responsible person at the Soviet Ministry of Foreign Trade, to talk about the current situation and prospects of Soviet-Chinese trade.

Marked progress has been made in recent years in trade relations between the Soviet Union and China. The following figures testify to this. The volume of bilateral trade was nearly 500 million rubles in 1983. It increased to nearly 1 billion rubles in 1984, and ballooned to more than 1.6 billion rubles in 1985. The annual increase in trade volume with the Soviet Union exceeds that of China's other foreign trading partners.

(Sheryanova) said: The continuous and rapid development of bilateral trade laid a good foundation for signing a long-term trade agreement in July 1985. According to the agreement, the volume of trade for 1986-1990 period will increase markedly and reach 12 billion rubles. The trade volume reached nearly 2 billion in 1986, the first year of the trade accord. [passage omitted]

She said: The Soviet Union supplies machineries and equipment such as vehicles, airplanes, helicopters, machine tools, generators, locomotives, and tractors. [passage omitted] In addition, we supply China with important raw materials and products such as petroleum products, nonferrous metals, and rolled steel. Because of the massive construction being carried out in China, it needs building materials. Soviet supply of cement, glass, and timber helps solve some of China's problems. Last year, China had a great demand for Soviet refrigerators, cameras, household appliances, and other goods. In addition to providing China with farming machinery, we also supply it with chemical fertilizers. [passage omitted]

She said: China supplies important raw materials for our national economy. They are nonferrous metals and mineral products. China exports a wide variety goods to our country such as piece goods, knitwear, garments, furs, feathers, rugs, kandkerchiefs, thermos flasks, ceramic goods: they are all of high quality and well-liked by the Soviet people. We also import some farm products from China.

Soviet-Chinese trade is built on mutual interest and based on the principle of complementing ech other's import-export structure. Are there problems in Soviet-Chinese trade despite the mutual nature of the trade, and are there ways to solve them?

She said: There are problems indeed. With the increase in trade volume, it is best for us to set up a special organization so as to coordinate and solve problems and help develop trade, economic, and other relations. Such an organization was finally set up. It is the intergovernmental Commission for Cooperation in Economy, Trade, and Science Between the Soviet Union and China headed by government officials of both countries. The commission has begun its work. The first meeting of the commission was held last March in Beijing, and the second in May this year in Moscow. [passage omitted]

Comrade (Sheryanova) said: We also exchange exhibitions that, to a large extent, help promote bilateral trade. [passage omitted]

IZVESTIYA NOTES PROBLEMS IN PRC DEBT REPAYMENT

PM110811 Moscow IZVESTIYA in Russian 1 Aug 87 Morning Edition p 6

[Report by own correspondent Yu. Savenkov under the rubric "Economic Barometer": "Credits: For and Against"]

[Text] Beijing -- Deputies at the spring session of the National People's Congress -- the supreme organ of state power -- in Beijing expressed various points of views in connection with the fact that the government has granted special economic zones and certain coastal cities in China the right to obtain foreign credits.

Some were worried: Will it not lead to difficulties? After all, the debtors do not always make a senible assessment of their solvency. Incidentally, a recent article in the paper RENMIN RIBAO said that recent years have seen an increase in the number of foreign credits not incorporated in the state plan. [paragraph continues]

Some of them were short-term, attracting a high rate of interest, and it transpired that the debtors were unable to cope with the situation -- they were unable to repay the debt on schedule. The writer of the article called for controls on the size of foreign credits, otherwise new creditors would have to be sought to pay off the old ones.

The writer of the article was also worried by the fact that China is mainly an exporter of light and textile industry products and it is these articles that are encountering stiff competition on the world market. Only a few of the projects currently using foreign credit can in the future become stable exporters. So in the future foreign credits must go to enterprises that are in a position to increase exports or, at least, reduce imports. In both cases a foreign currency reserve is established.

So what is to be done about foreign credits? Control them or give debtors their head? PRC State Councillor Gu Mu is quite optimistic about the situation. The government has granted the right to obtain foreign credits to two provinces Guandong and Fujian, three cities Shanghai, Tianjin, and Dalian and certain financial institutions, including the Bank of China and the investment bank. These territories are among the most highly developed areas and also possess sufficient experience of foreign economic links and financial deals with foreign creditors. Moreover, Gu Mu noted, they are responsible for paying debts on schedule. A credit ceiling is also established. There is another rule: The debtor is obliged to consult the government beforehand about a proposed financial operation.

What are the chief difficulties China is experiencing in carrying out the policy of expanding links with the outside world? Gu Mu assesses the situation: A shortage of power capacities, deficient communications, and urban construction. Nevertheless, the main difficulties are a lack of experience and insufficient skilled cadres.

MOSCOW SOIREE MARKS PLA ANNIVERSARY 7 AUG

OW080233 Moscow International Service in Mandarin 1500 GMT 7 Aug 87

[Text] The Union of Soviet Societies for Friendship and Cultural Exchanges with Foreign Countries, the Soviet-Chinese Friendship Society, the Far East Institute and Military History Institute of the USSR Academy of Sciences, and the All-Union Federation of Sinologists held a soiree in Moscow on 7 August to celebrate the 60th anniversary of the Founding of the PLA [People's Liberation Army]. Speakers at the soiree pointed out the great contributions of the PLA's glorious struggle to the victory of the Chinese people's revolution and the founding of the People's Republic of China in October 1949.

JAPANESE TREATMENT OF SOVIET SAILORS DEPLORED

PM111455 Moscow PRAVDA in Russian 5 Aug 87 Second Edition p 5

[Own correspondent I. Latyshev dispatch: "Two Sides of One Policy. A Cacophony of Abuse Instead of Hospitality"]

[Text] Tokyo, 4 Aug -- A fisherman's lot is a hard one, especially when it involves fishing far away from the home shore. Sometimes fishermen spend weeks and even months on the open sea. Soviet fishery flotillas fishing in the Pacific also have to cope with such difficulties.

An accord between the governments of the USSR and Japan on reciprocal relations in the sphere of fisheries along the two countries' coast provides a certain opportunity for a brief rest for crews of individual vessels: Japanese fishing vessels can call at Soviet ports for 1-2 days' rest and, likewise Soviet vessels can call on Japanese ports. This is a good accord. It is fully in line with the spirit of good-neighborliness which should mark relations between neighboring countries.

Unfortunately, there are in Japan political circles which do not want to see this kind of development of Soviet-Japanese relations. On the contrary, these circles seek to introduce hostility and strife in these relations. The overt hostility with which the crews of two Soviet fishing trawlers -- "Mayskoye" and "Sarychevsk" -- were met in the Japanese port of Onahama where they put in 30 July after more than 2 months at sea can serve as an example. The port call was agreed with the Japanese authorities in advance and was fully in keeping with all the formal stipulations of the Soviet-Japanese agreement. The purpose of the port call was to replenish food and drinking water supplies and to provide the crews with a couple of days' rest. Formally, the Japanese authorities also complied with the conditions of the agreement and provided the Soviet ships with berthing facilities. However, what a way to arrange it!

Despite the fact that the port's central berthing facilities were free at the time, the port administration allocated to the Soviet ships the most remote moorage, used for storing coal and construction materials. At the same time the immigration authorities issued the captains of the two ships instructions banning the crews from leaving the confines of the moorage allocated to them. The generally accepted international maritime practice, in which the crews of the ships calling at ports for rest are allowed access to the streets of the adjoining cities or settlements, has thus been flouted. The Japanese authorities essentially imposed a quarantine on the Soviet fishermen without any reason. For the 2 days the crews of the two ships, totaling 50 people, were restricted during their "shore leave" to a 300-meter-long asphalt strip, covered with coal and stones, and providing no shelter against the hot sun. And that at a time when the temperatures were reaching 35 degrees! The authorities also turned a blind eye to the fact that the gusts of wind from the sea raised clouds of black coal dust.

But these are not all the "flowers" which the "hospitable" Japanese hosts presented to their tired Soviet guests. At the time of the two ships' arrival in Onahama, as at the wave of someone's baton, more than 1,000 thugs, members of extreme right-wing fascist organizations, had gathered here from all corners of the country. [paragraph continues]

Some 30 armor-plated buses and trucks daubed with malicious anti-Soviet slogans drove onto the nearest jetty (the better equipped one, closer to the center of the port). After the arrival of the Soviet vessels superpowerful loudspeakers mounted on these buses and trucks started spewing out anti-Soviet abuse, interspersing Japanese phrases with unprintable Russian. This hooligan cacophony of the extreme right-wing thugs continued until the Soviet ships left port. Meanwhile, the more than 1,000 policemen deployed in the surrounding area confined themselves to barring access to the ships. This is the kind of "rest" that the Soviet fishermen got in the Japanese port of Onahama.

Japanese official circles are pretending that nothing out of the ordinary happened. Furthermore, some people here are prone to regard the unseemly conduct of the extreme right-wing elements as a spontaneous manifestation of some kind of outraged national sentiments. However, all that is a lie! Both the quarantine imposed on Soviet citizens and the hooligan excesses of the extreme right-wing elements against people tired out by hard work and the roll of the sea are merely separate acts of one and the same spectacle, planned in advance with the aim of casting a shadow on the good-neighborly relations between the two peoples. There is a direct link between this spectacle and the persecution by the authorities of Japanese firms which trade with the Soviet Union; between this spectacle and the spy mania which is being fueled in the country, with the absurd fabrications about some kind of "Soviet military threat," and other steps taken by the present Japanese ruling circles in order to curry favor with Washington.

However, the backstage organizers of the spectacle in Onahama should not be especially pleased with themselves. Crude flouting of the laws of hospitality is a disgrace in the eyes of any people, including the Japanese. Attempts to make political capital from this affair are doomed to failure.

USSR-JAPAN ACADEMIC SYMPOSIUM OPENS IN NAKHODKA

OW071057 Moscow in Japanese to Japan 1200 GMT 6 Aug 87

[Text] A Soviet-Japanese academic symposium has begun in Nakhodka of the Soviet Far East. Major themes are the effects of restructuring on economic and political relations and struggles for peace in the Pacific region.

The symposium will last for 5 days, and economists, historians, and sociologists will discuss various phases of Soviet-Japanese cooperation and their historical premises and future prospects.

ROK'S KIM TAE-CHUNG JOINS REUNIFICATION PARTY

LD081006 Moscow TASS in English 0855 GMT 8 Aug 87

[Text] Tokyo August 8 TASS -- Kim Tae-chung, one of the leaders of the movement against the South Korean dictatorship, has joined today the ranks of the Democratic Party for Reunification, which is that country's main opposition party. In the course of the past fifteen years the authorities barred him from the country's political life, fearing that Kim Tae-chung's popularity would help towards a consolidation and strengthening of the opposition forces in their fight for democratic reforms in South Korea. Yet, as a result of a powerful movement for democratization sweeping the whole country dictator Chon Tu-hwan was forced to agree to the demand for the release of the political prisoners, a change in the constitution and the holding of direct presidential elections. Among the other amnestied South Korean politicians is also Kim Tae-chung, who was for a long time either in prison or under house arrest.

According to a report from Seoul, addressing a rally in the capital Kim Tae-chung said that he would be advisor to Kim Yong-sam, chairman of the Democratic Party for Reunification. We will jointly fight for restoring democracy in South Korea, and after achieving it, we will closely cooperate in ensuring stability in the country, he said. Kim Tae-chung also pointed out that he supports one candidate for presidency from the Democratic Party for Reunification at the coming elections and will support him in very way possible. I am confident, he stressed, that our party will become the ruling one already next year.

SPREAD OF STRIKE MOVEMENT IN SOUTH KOREA VIEWED

LD120931 Moscow TASS in English 0855 GMT 12 Aug 87

[Text] Tokyo August 12 TASS -- South Korea's pro-American regime today officially announced it was going to adopt "tough measures" against the mounting strike movement that has spread to all industrial branches.

A statement published after this morning's emergency session of the Seoul Government's leading ministers accused the strikes of "unlawful actions" and the aspiration "to kindle economic chaos."

The statement emphasized that the authorities were giving up their so-called neutrality and would "actively intervene" in labour conflicts.

This means that paramilitary police, already deployed around strike-gripped enterprises, would be sent against the workers.

Japan's KYODO Tsushin News Agency today quoted Seoul officials as saying that 670 strikes had been registered in South Korea since late June this year. 213 work stoppages were continuing.

The authorities did not disclose the number of workers on strike.

According to press reports, their number is over 60,000.

Kim Yong-sam, chairman of South Korea's leading opposition Democratic Party for Reunification today condemned the Seoul regime's decision.

POPOV COMMENTS ON U.S. BUILDUP IN PERSIAN GULF

OW081353 Moscow Television Service in Russian 1900 GMT 7 Aug 87

["From the 90 Minutes" Program; Andrey Popov Commentary]

[Text] The situation in the Persian Gulf has deteriorated sharply and at any moment could lead to the most tragic results. Our commentary follows:

[Popov] Hello, comrades. In the Persian Gulf a tremendous concentration of ships of various countries, particularly those of the United States, UK, and France, have gathered. This concentration of naval power is, as it is well known, being justified by these countries in terms of the need to protect the tankers delivering crude oil to Europe, America, and Asia. According to official statistics Japan is almost entirely dependent on this region for its liquid fuel. Western Europe imports 70 percent of its oil from this region, while the United States imports barely 10 percent of its fuel. However, it is precisely the Americans who have the largest number of ships in the Gulf. What is causing this? THE WASHINGTON POST provides an answer to this question when it states that the U.S. contention that shipping must be protected and the oil flow must be ensured is merely an excuse to build up U.S. military presence in the Persian Gulf area. The real goal of the U.S. Administration has little to do with concern for other peoples.

To try to solve the shipping problem in the Persian Gulf region by means of a naval buildup only contributes to making the situation more difficult. As the result of military action between Iran and Iraq in the so called tanker war, 85 ships belonging to various countries with a total displacement of 8 million metric tons have been destroyed. This represents almost one-third of the shipping lost during World War II. Where are the guarantees that no new victims will be found?

There is only one way to normalize the situation in the region as it is today -- the withdrawal of all navy ships of countries that do not form part of the region, as well as a guarantee on the part of Iran and Iraq that they will refrain from taking any action that would threaten international shipping. It is precisely these suggestions that can be found in the USSR proposals and which are increasingly gaining support from the states of this region.

RAFSANJANI BLAMES U.S. FOR MINE EMPLACEMENT

LD121002 Moscow TASS in English 0934 GMT 12 Aug 87

[Text] Nicosia August 12 TASS -- The speaker of the Iranian Parliament, 'Ali Akbar Hashemi-Rafsanjani, has said that there is a great probability that the mine on which the tanker Texaco Caribbean blew up on Tuesday at the entry to the Strait of Hormuz was planted by the United States or its agents.

In an interview to Tehran Radio he disclosed that the Iranian Navy had been ordered to look for mines in international waters in the Gulf of Oman. If other mines were found, Rafsanjani said, this would be additional information on the case.

Tehran radio also quoted a defence ministry spokesman as saying that the "U.S. is trying to turn the Persian Gulf and the Gulf of Oman into a danger zone to use this as a pretext for expanding its interference in the region."

The radio said that by ascribing the mining in the gulfs to Iran the U.S. was seeking to kindle anti-Iranian sentiments in the region's countries.

PRAVDA REPORTS NAJIB ULLAH RETURN TO DRA

PM111159 Moscow PRAVDA in Russian 11 Aug 87 Second Edition p 4

[TASS report: "Return to Kabul"]

[Text] Kabul, 10 Aug -- Najib, PDPA Central Committee general secretary, returned to Kabul from the Soviet Union today. He was met at the airport by members of the DRA party and state leadership and V.S. Fedosov, USSR charge d'affairs in the DRA.

CPSU'S SKLYAROV TALKS WITH MOROCCAN POLITICIANS

PM280925 Moscow PRAVDA in Russian 23 Jul 87 Second Edition p 4

[TASS report: "Departure for Home"]

[Text] Casablanca, 22 Jul -- Yu.A. Sklyarov, candidate member of the Central Committee, chief of the CPSU Central Committee Propaganda Department, and the CPSU's representative at the Fourth Congress of the Moroccan Party of Progress and Socialism [PPS], has had a meeting here with PPS General Secretary Ali Yata and other party leaders. The mutual desire to continue strengthening fraternal relations between the two parties and to promote the further broadening of mutually advantageous Soviet-Moroccan cooperation was expressed during the talks.

In Rabat Yu.A. Sklyarov met with A. Bouabid, first secretary of the Socialist Union of Popular Forces. The sides discussed very important problems of the contemporary international situation and noted the coincidence or closeness of their positions on many of them, including on questions of the struggle for peace, disarmament, and the prevention of nuclear war. The CPSU representative also had talks with M. Boucetta, general secretary of the Istiqlal Party.

Yu.A. Sklyarov left for home today after participating in the work of the Fourth PPS Congress.

He was seen off at the airport by Omar El Fassi, member of the Politburo, secretary of the Central Committee, and chief of the PPS International Ties Department, and other members of the party leadership.

PDRY ARMY POLITICAL DELEGATION ENDS VISIT

PM050851 Moscow KRASNAYA ZVEZDA in Russian 31 Jul 87 First Edition p 3

[Unattributed report: "Departure for Home"]

[Text] A delegation of political workers from the PDRY Armed Forces headed by 'Abdallah Ahmad ibn Ahmar, chief of the PDRY Armed Forces Political Directorate Propaganda and Culture Department, was in the Soviet Union 20 through 30 July 1987 at the invitation of the USSR Ministry of Defense and the Soviet Army and Navy Main Political Directorate.

The members of the delegation had talks at the Soviet Army and Navy Main Political Directorate on questions of the organization and content of party and political work in the Army and Navy.

In the Political Directorate and a unit and military training establishment in the Leningrad Military District the visitors were familiarized with the features of the instruction of various categories of servicemen.

At the V.I. Lenin Military-Political Academy the South Yemeni comrades studied experiences of training political cadres. The delegation visited the KRASNAYA ZVEZDA editorial office.

The members of the delegation visited the V.I. Lenin Mausoleum and laid wreathes at the Tomb of the Unknown Soldiers by the Kremlin Wall.

In Moscow and Leningrad they were familiarized with the historical and revolutionary places and memorials to the combat and labor glory of the Soviet people.

The delegation was received by General Colonel D.A. Volkogokov, deputy chief of the Soviet Army and Navy Main Political Directorate. In the course of the friendly conversation questions of interest to both sides were discussed.

The delegation left for home 30 July.

U.S. BACKING OF CHAD 'AGGRESSION' SCORED

LD111908 Moscow International Service in Arabic 1600 GMT 11 Aug 87

[From the "Window on the Arab World" program, presented by Aleksey Zlatorunski]

[Text] In addition to the Gulf, a new hotbed has emerged now on the Libya-Chad borders. Aleksey Zlatorunskiy writes: This hotbed is not altogether new. Internal events in Chad which were not resolved for a number of years were exploited, for a long time and actively, by the imperialist forces to exert pressures on the Libyan Jamahiriyah, which Washington considers to be its number one enemy. It is not a matter of chance that the U.S. Administration -- during this year alone -- has provided the government of Hissein Habre with $25 million in emergency aid, in addition to the planned shipment of weapons and equipment to this country. Furthermore, the French military presence is considerable.

The current tension in the area is a result of the Chadian forces' intervention in Aozou oasis, which both countries claim. What is noticeable is that France itself, which backs the present Chadian regime, considers Aozou oasis to be a contested area, the fate of which must be decided by an international arbitration body. As for the United States, no sooner had the news of the Chadian forces' aggression on Aozou reached Washington than a U.S. State Department spokesman had said that the administration welcomes Chad's action.

Libya has lodged a complaint with the United Nations and considers the Chadian actions unprovoked aggression.

Here, there is no need to speculate over the nature of the resolution that the international community might take. In my opinion, the current actions in Aozou area resemble the bombardment of the Libyan cities of Tripoli and Banghazi, the provocations against the Libyan Jamahiriyah at the Gulf of Sidra, the attempts at imposing economic siege on Libya, and the hostile propaganda campaigns against it. The basis for all this could be the effort to punish Libya for its independent foreign policy course and for its refusal to bow down before U.S. diktat.

MANAYENKOV DELEGATION RETURNS FROM BURKINA FASO

PM101217 Moscow PRAVDA in Russian 9 Aug 87 Second Edition p 4

[TASS report: "Delegation Returns"]

[Text] The CPSU delegation headed by Yu.A. Manayenkov, member of the CPSU Central Committee and first secretary of Lipetsk Obkom, which was in Burkina Faso at the invitation of the country's National Revolutionary Council and participated in the celebrations marking the 4th anniversary of the August Revolution, returned home 8 August.

MEDVEDEV MEETS BULGARIA'S ZHIVKOV ON VACATION

LD102225 Moscow TASS International Service in Russian 1715 GMT 10 Aug 87

[Text] Sofia, 10 August (TASS) -- In Varna, Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the Bulgarian State Council, received CPSU Central Committee Secretary Vadim Medvedev, who is on vacation in Bulgaria. During the meeting, which passed in an exceptionally warm atmosphere, the Bulgarian leader cordially thanked him for the fraternal greeting conveyed from M.S. Gorbachev, general secretary of the CPSU Central Committee, and in his turn expressed his kindest wishes to him.

T. Zhivkov outlined the BCP's work in carrying out the decisions of the 13th party Congress and acquainted him with the tasks set out by the July 1987 BCP Central Committee Plenum. At the present stage of profound restructuring, stressed the Bulgarian leader, we are completely at one with the CPSU.

V.A. Medvedev informed T. Zhivkov of the progress in implementing the decisions of the 27th CPSU Congress and of the January and July 1987 CPSU Central Committee plenums. The participants in the talks exchanged opinions on issues of the relations between the USSR and the People's Republic of Bulgaria, which, it was noted, are developing in a dynamic fashion and are in the ascendant in the interests of the two fraternal peoples and of the socialist commonwealth as a whole, of peace and progress throughout the world.

BCP Central Committee Secretary Dimitur Stanishev and USSR Ambassador to Bulgaria Leonid Grekov took part in the meeting.

TRADE UNION DELEGATION RETURNS FROM GDR 3 AUGUST

PM110951 Moscow TRUD in Russian 4 Aug 87 p 3

[Unattributed report: "Delegation's Return"]

[Text] The Soviet trade union delegation headed by AUCCTU Secretary V.M. Mishin returned to Moscow from the GDR 3 August. The delegation participated in a conference of secretaries of the socialist countries' trade union centers on questions of trade unions' physical culture and sports work, as well as in measures of the 8th Sports and Gymnastics Festival and the 11th Children's and Young People's Sports Festival of the GDR.

MSZMP'S BARABAS, PARTY WORKERS VISIT MOSCOW

PM101252 Moscow PRAVDA in Russian 8 Aug 87 Second Edition p 4

[TASS report: "Interparty Ties"]

[Text] A group of Hungarian party workers headed by N. Barabas, deputy chief of the MSZMP Central Committee Agitation and Propaganda Department, was in Moscow 6-7 August. During the conversations held in the CPSU Central Committee Departments of Propaganda, Science and Educational Institutions, and Culture and a CPSU Central Committee Department [unspecified], questions of improving ideological, scientific, and cultural cooperation between the CPSU and the MSZMP in present-day conditions were discussed.

HUNGARIAN ACADEMIC PONDERS ECONOMIC REFORM

PM041255 Moscow SOVETSKAYA ROSSIYA in Russian 29 Jul 87 Second Edition p 5

[Interview with Academician Aladar Sipos, director of the Hungarian Academy of Sciences Economics Institute, by A. Melnikov: "Real Path to Solutions. Conversation With Hungarian Economist"; date of interview not specified]

[Text] Budapest -- In the office of Academician Aladar Sipos, director of the Hungarian Academy of Sciences Economics Institute, my eyes immediately fell on a newspaper containing materials from the CPSU Central Committee plenum. Many lines had been underlined and highlighted...

The results of the CPSU Central Committee June plenum, Aladar Sipos observed, clearly demonstrated the Soviet leadership's serious, well though-out approach to resolving the tasks of socialist building.

To be frank, Aladar Sipos continued, M.S. Gorbachev's report and the documents adopted were something of a surprise to me. Of course, Hungarian scientists had already seen that their Soviet comrades were genuinely interested in achieving positive improvements as soon as possible. They felt, however, that the reform would require a longer period of preparation.

[Melnikov] Comrade Sipos, one often comes across detailed articles in Hungarian newspapers today on the problems of foreign trade and the impending tax reform, interviews with eminent economists, and information on trade firms' profitable initiatives... Every worker is well informed on the scale of his enterprise's profitability and concerned with its development prospects. Why, in your opinion, are economic subjects so popular?

[Sipos] We are certainly not indifferent to the country's present economic situation and its future. Frankly, the situation in the national economy is rather contradictory. On the one hand, we began a reform in 1968 that, still continuing today and incorporating more and more new elements, has produced positive results on the whole. On the other hand, both the Hungarian and the foreign press write increasingly often about the country's growing foreign debt, price rises, and loss-making enterprises...

The causes of the present difficulties are to be found in external and internal factors. As is well known, approximately half of Hungary's output goes to foreign markets, including capitalist countries. Our country has been affected by the unfavorable processes taking place in Western markets. Last year, for example, there was a significant fall in world grain and meat prices -- grain and meat are traditional Hungarian exports -- and we suffered considerable losses.

At the same time it would be wrong to blame objective conditions for absolutely everything. After all, our losses would not have been so great if the reorganization of the economic structure had not been so protracted. Even now, a great many products are manufactured that are not in demand on the world market.

[Melnikov] What do you see as the solution?

[Sipos] First, we need a purposeful economic policy. For example, the time has come in agriculture to make the transition from narrow specialization in grain and meat production to the production of a wide range of products that are in the greatest demand: high quality seeds, medicinal herbs, and sheep-raising products, for example. In industry it does not make sense to "maintain" weak enterprises with perpetual subsidies when growing losses are their main "product." Sectors determining scientific and technical progress should be reinforced at the expense of these production units.

[Melnikov] In the Soviet press we can read about new forms of self-management in Hungarian enterprises, various associations, and small cooperatives... To what extent do these innovations prove useful? What else is being done to develop the economic mechanism?

[Sipos] There have been a great many innovations, of course. The question of restructuring the Hungarian economy has not become less topical because of this, however. Unfortunately, it has not been resolved sufficiently comprehensively in our country. Elements have appeared that contradict one another, for example. Elective councils and boards were introduced in enterprises more than 2 years ago. At first glance there would seem to be no doubt that they give a powerful fillip to collectives' involvement in production matters. In fact, however, in many places elective organs' interest in immediate benefits came to the fore. These councils and boards primarily set about increasing wages, resolving social issues, and so forth. Now their work experience is being carefully analyzed so as to avoid distortions in the future.

On the whole, in my opinion, it is necessary to more vigorously develop socialist democracy and give working people greater access to production management. A leading role must be played by the activity and initiative of party organizations and every Communist. The economic reform will only bear fruit if it is understood by the broadest masses and has their full support.

However, there are also some innovations with which I simply cannot agree. Economic work groups, for example. After the end of their shift, workers perform various jobs on a contractual basis. The idea was that this group work would allow the city dweller to earn an additional income in his free time as a peasant does with his private plot. However, ultimately this has merely created another loophole for extensive development and a new, legitimized form of overtime work so that attention paid to improving productivity during basic worktime has waned considerably.

[Melnikov] What gaps, in your opinion, do our economists need to fill?

[Sipos] The main thing we have still to do with our fellow economists from fraternal countries is to create a harmonious theory and build up an integrated picture of contemporary socialist society and all its achievements and contradictions. The fact that we have not done this seriously hampers the development of practical measures to improve the economic mechanism and sometimes even retards the solution of problems. Take, for example, the role played by individual labor activity under socialism. Because of the lack of any theoretical validation of the "private worker's" place in our society, many people virtually regard him as an "alien" element, although the same people complain about the shortage of shoemakers, skilled workers to repair domestic equipment, and so forth in the villages...

Hungarian economists have recently been actively involved in preparing a long-term program for the intensive development of the country's economy. I am convinced of the need to creatively seek new paths with the same persistency demonstrated at the CPSU Central Committee June plenum.

PPR LEADERS THANK SOVIETS FOR JUBILEE MESSAGE

PM051413 Moscow PRAVDA in Russian 1 Aug 87 Second Edition p 1

[W. Jaruzelski and Z. Messner message of thanks to M.S. Gorbachev, A.A. Gromyko, and N.I. Ryzhkov]

[Text] To Comrade Mikhail Sergeyevich Gorbachev, CPSU Central Committee general secretary,

Comrade Andrey Andreyevich Gromyko, chairman of the USSR Supreme Soviet Presidium,

Comrade Nikolay Ivanovich Ryzhkov, chairman of the USSR Council of Ministers.

On behalf of the PZPR Central Committee, the Council of State and Council of Ministers of the Polish People's Republic, and the working people of our country and on our own account we cordially thank the CPSU Central Committee, the USSR Supreme Soviet Presidium, the Council of Ministers, and you personally for the congratulations and good wishes on the occasion of our national holiday, the 43d anniversary of Poland's rebirth.

We received with profound satisfaction your high assessment of the Polish people's achievements over the past 43 years which fully confirmed the correctness of the socialist path of development chosen by our country. Poland's rebirth as a sovereign, democratic, socialist state within new, just, secure borders is indissolubly linked with the Soviet Army's great liberating mission.

Polish-Soviet brotherhood-in-arms born out of the joint struggle against Hitler's Reich became the cornerstone of the alliance, friendship, and cooperation between our states and peoples, the main guarantee of Poland's security, and an important factor for peace and stability in Europe.

We note with great satisfaction the intensive process of the development of multifaceted cooperation between Poland and the Soviet Union. On the basis of the decisions of our fraternal parties -- the PZPR and the CPSU -- and thanks to the coincidence of their innovative programs Polish-Soviet relations have entered a qualitatively new stage. The declaration signed this April on cooperation in ideology, science, and culture, whose provisions are now being implemented, is an expression of this. We will continue to consistently strengthen the fraternal friendship and develop multifaceted cooperation with the Soviet Union for the good of our countries and peoples in the interests of strengthening socialism and peace.

Dear comrades, accept cordial greetings and best wishes for new successes in implementing the program elaborated by the 27th CPSU Congress for revolutionary transfomrations designed to restructure all aspects of Soviet society, accelerate the Soviet Union's socioeconomic development, and strengthen the power and authority of socialism in the world.

Wojciech Jaruzelski, first secretary of the PZPR Central Committee and chairman of the Polish Council of State

Zbigniew Messner, chairman of the Polish Council of Ministers

CONSUL VISITS RUST; 'EARLY SEPTEMBER' TRIAL

AU111647 Paris AFP in English 1636 GMT 11 Aug 87

[Excerpt] Moscow, Aug 11 (AFP) -- Soviet authorities have fixed an early September date for the trial of Mathias Rust, the 19-year-old West German who landed a light aircraft in Red Square in May, the West German Embassy said Tuesday.

The announcement came as Mr. Rust received the first of his two monthly visits at the Lefortovo prison from the West German consul, Gerhard Shroembgens. [passage omitted]

The embassy spokesman could not say exactly when or where Mr. Rust's trial would take place.

There had been "no change" in the young flyer's health and morale since the last consular visit, the spokesman added. In July, he was reported fit and well.

The young pilot could face 10 years' imprisonment if convicted on several accounts of breaching the Soviet penal code and aviation rules.

FRENCH CALLS FOR NEUTRON BOMBS IN FRG VIEWED

PM111325 Moscow IZVESTIYA in Russian 11 Aug 87 Morning Edition p 4

[Own correspondent Yu. Kovalenko "Pertinent Remarks": "Keys to the Neutron Bomb"]

[Text] Paris -- In one of its latest issues the Paris weekly L'EXPRESS carried a photograph showing the Champs Elysees military parade on Bastille Day, with a caption reading: "When will a French-West German brigade parade along it?" (It has been reported that the decision to create such a brigade has already been made in Paris and Bonn.)

Without waiting for that day to come, former French Defense Ministers Pierre Messmer and Charles Hernu have come out with a new initiative designed to assist the further strengthening of military bonds between the two countries. They have proposed that, if French neutron weapons were to got into series production, such weapons should be deployed in West Germany and the FRG be given access to them. "If the French Hades missiles with a 340 km range, which are due to replace the Pluton missiles, are to be used as neutron bomb delivery vehicles, they ought to be deployed on FRG territory," C. Hernu declared in an interview with West Berlin's TAGESZEITUNG. "If I were the French Government, I would have no hesitation in handing the key to Bonn and Paris at the proper time." P. Messmer has also spoken along similar lines.

Some people on the banks of the Seine would like to see the keys handed over as soon as possible because, in C. Hernu's words, "an agreement between France and the FRG on the use of tactical nuclear weapons is an important task for the future president" (the elections are not all that far off -- in May 1988). Everything indicates that the position of the military department's former chief is also shared by incumbent Defense Minister A. Giraud who, according to L'EXPRESS, would like to "one way or another" get the FRG involved with nuclear weapons.

Local observers assume that socialist C. Hernu and P. Messmer, chairman of the group of National Assembly deputies from the right-wing party Rally for the Republic, have been assigned the mission of testing the ground. In actual fact, their initiative was not all that unexpected. The thesis that French interests are now no longer limited to just the defense of the "hexagon" (as France is at times referred to) has been promoted increasingly often in recent years. People in ruling circles are increasingly active in advocating an expansion of the French nuclear deterrence zone of action and its extension over the FRG.

The recently adopted military program for 1987-1991 testifies that Paris is banking on the modernization of nuclear forces. By 1992 France's "ocean-based strategic forces" will count 400 warheads. Hades missiles will be deployed by 1993 and by 1996 the nuclear arsenals will be augmented by the C-4 missile which, in experts' opinion, will replace the U.S. Pershing-2's. A. Giraud perceives this buildup of nuclear potential as "French people's readiness to participate in Europe's defense." And one of the landmarks of "Eurodefense" now being laid by Paris will evidently be the deployment of neutron weapons in the FRG.

In L'HUMANITE's opinion, the prospects of their deployment in the FRG -- with work on the creation [sozdaniye] of the neutron bomb already completed and the only thing left to do being to start series production -- look like an attempt to sabotage the Soviet-U.S. talks on the elimination of "Euromissiles" and raise yet another obstacle across the path to the achievement of disarmament in Europe. W. Stuetzle, director of the Stockholm International Peace Research Institute, stressed that the proposal by the two former ministers can only have negative consequences for the disarmament talks. For its part, the FRG Social Democratic Party has also come out against the deployment of neutron bombs on West German territory and the "double key" system.

This latest initiative by P. Messmer and C. Hernu, who continue to play an important role in the country's political life, causes concern. Do people in the West really and sincerely wish to achieve disarmament, or are they simply calculating on continuing the course of nuclear confrontation by replacing one missile by another?

FRANCE, UK SEND MINESWEEPERS TO PERSIAN GULF

To 'Reinforce' Squadron

LD111729 Moscow TASS in English 1707 GMT 11 Aug 87

[Text] Paris August 11 TASS -- France has decided to send another two mine-sweepers to the Indian Ocean area, Andre Giraud, defense minister of France, said at a meeting with journalists here today. According to the head of the French Defense Department, they will reinforce the French squadron that left Toulon late in July. At present the squandron consisting of ten naval ships is in the Indian Ocean and is heading for the Persian Gulf.

UK Cites Increased 'Threat'

LD111607 Moscow TASS in English 1452 GMT 11 Aug 87

[Text] London August 11 TASS -- The Government of Great Britain announced its decision to send four mine-sweepers to the Persian Gulf.

The announcement said that the situation in the Gulf region had changed over the past 48 hours and the threat posed by mines to British tankers had grown substantially.

According to the official statement, this was the main reason that compelled London to send its naval ships to the Persian Gulf.

PRAVDA CITES PCI'S NATTA ON PARTY'S 'RENEWAL'

PM101529 Moscow PRAVDA in Russian 4 Aug 87 Second Edition p 4

[TASS report: "Topical Tasks of the Struggle"]

[Text] Rome, 3 Aug -- Forming an alliance of left-wing and all progressive forces capable of creating an alternative to the present government is one of the main aims of the Italian Communist Party [PCI] at the present stage. This is what Alessandro Natta, secretary general of the PCI, writes in L'UNITA.

The party Central Committee and Central Auditing Commission plenum held at the end of June, he emphasizes, confirmed the correctness of the choice in favor of the renewal of the PCI which was made by the Italian Communists at their most recent congress in Florence. The defeat the party suffered in the early parliamentary elections held in June is not a consequence of the aforementioned choice but a result of the fact that at the present moment the party proved unequal to the tasks it has set itself.

The last elections, A. Natta writes further, did not clarify the political situation in the country. The government formed a few days ago by Christian Democrat Giovanni Giuseppe Goria means in effect the end of the 5-party coalition. The new cabinet does not have a "political majority," that is to say, the parties of which it is composed pursue diverse and even contradictory aims. This government will not be able to implement the reforms the country needs.

"Our opposition to the new government," the PCI leader emphasizes, "will be decisive and will not be confined just to parliament." Italian Communists will strive for the unity of left-wing forces and will seek to gain mutual understanding with them with a view to putting forward concrete proposals for drafting an alternative political program.

PCP LEADER COMMENTS ON RIGHT'S 'TEMPORARY' VICTORY

PM111035 Moscow PRAVDA in Russian 4 Aug 87 Second Edition p 4

[TASS report: "Gains in Jeopardy"]

[Text] Lisbon, 3 Aug -- The temporary victory of the right-wing forces in the recent parliamentary elections has placed the democratic system in jeopardy, A. Cunhal, secretary general of the Portuguese Communist Party [PCP], has declared in an interview with the newspaper DIARIO DE NOTICIAS. However, this in no way signifies the definitive defeat of democracy.

The PCP leader resolutely opposed another revision of the country's Constitution and criticized the intention of right-wing forces to definitively deprive Portugal's Basic Law of its progressive content. The most important task of the working people and all democrats is to protect the progressive transformations.

IZVESTIYA VIEWS GUATEMALA SUMMIT PROPOSALS

PM101401 Moscow IZVESTIYA in Russian 10 Aug 87 Morning Edition p 3

[R. Tuchnin commentary under the "Pertinent Notes" rubric: "Light In the Tunnel"]

[Text] At the meeting in the Guatemalan capital the presidents of Costa Rica, Nicaragua, El Salvador, Guatemala, and Honduras have reached an agreement on the adoption of measures leading to the elimination of the threat of war and to a peaceful settlement in the region. These measures provide in particular for necessary steps aimed at a cease-fire in the countries of the region where antigovernment actions are occurring, an amnesty, and dialogue with the civilian opposition. The sides reached an agreement not to permit the use of their territory to destabilize the governments of other Central American states. The document expresses the determination of the countries of the region to conduct talks under the auspices of the Contadora group on arms reduction and questions of security.

The presidents adopted a decision to appeal to all governments in Central America and beyond its boundaries to stop rendering military and any other kind of assistance to armed antigovernment groupings acting in the countries of the region. They undertook to seek social justice and respect for human rights, sovereignty, territorial integrity, and the right of all peoples to freely choose their political and socioeconomic system without any outside intervention.

The accord has allotted three months for the implementation of the agreed measures. At the moment it is difficult to foresee how events will develop. But the very fact that the heads of five Central American states have finally sat down at the negotiating table and found a common language in discussing problems which only yesterday seemed insoluble says a great deal.

Above all it attests to a serious diplomatic defeat for the United States. For it is precisely the U.S. Administration, gambling on the overthrow of the Sandinist Government, which opposed with all its might not only the presidents' adoption of the joint agreement but even the initiation of any talks between them.

Since February this year, when the plan for a peaceful settlement in the region proposed by Costa Rican President Oscar Arias appeared, the White House has really lost its equanimity. It is not enough that R. Reagan's entourage has publicly and sharply rejected the main elements of this initiative, designed to alleviate the explosive situation in the region -- it has applied (above all on Honduras and El Salvador) unprecedented pressure to drown the idea of a Central American summit meeting in a sea of procrastination and disputes.

Toward the end, when the presidents were just about to begin talks, the U.S. President noisily produced his own "peace plan" for Central America, reckoning to throw their ranks into confusion. There was nothing fundamentally new in the Washington proposal. As before it was spearheaded in one direction -- against the government of Nicaragua, on whom it impudently attempted to foist formulas for the organization of its domestic political life. The meeting's participants preferred to take the Contadora rather than the Washington version of a "peace plan" as the basis for discussion.

The results of the talks in Guatemala have one more important element: They confirmed that the Contadora process, aimed at a peaceful settlement in Central America, is continuing to develop and that the "Contadora spirit" is successfully opposing the Washington's military strong-arm methods.

The presidents of the Central American states have made a good beginning. But it would be premature to suppose that the way to a political solution of the conflict situation in the region has been cleared of obstructions and mines or that Washington will be reconciled to the accord achieved in Guatemala and will withdraw to the sidelines. I believe it is no coincidence that the seven leaders of the Nicaraguan Contras, sponsored by the United States, have made haste -- AFP reports -- to shout at the top of their voices that they "do not intend to lay down their arms."

Thus the success of the undertaking launched in Guatemala will depend to a considerable extent on the determination of all the countries of the region to oppose the increasing interference in their affairs on the part of their powerful northern neighbor.

LATIN AMERICAN MINISTERS BACK GUATEMALA SETTLEMENT

LD101239 Moscow TASS in English 1130 GMT 10 Aug 87

[Text] Brasilia August 10 TASS -- The foreign ministers of eight Latin American countries united in the Contadora Group and the group of support have backed the plan for a political settlement in Central America adopted by the presidents of the region's five states in Guatemala recently.

In a statement for the press, released Sunday night on the results of the first day of their conference in the Brazilian city of Sao Paulo, they emphasized that the plan represented an important step towards defusing tensions in Central America and created conditions for a long-term solution to the problem on the basis of respect for mutual security, democracy and the right to self-determination.

The ministers from Argentina, Brazil, Venezuela, Colombia, Mexico, Panama, Peru and Uruguay, expressed on behalf of their presidents profound satisfaction with the will for peace displayed by the Central American countries.

The statement said that political dialogue was the only means to resolve problems facing Latin American and secure the region's future development without outside interference.

The ministers decided to meet in Caracas on August 22-23 to discuss prospects for a peaceful settlement in Central America.

NICARAGUA 'READINESS' TO START DIALOGUE NOTED

LD091141 Moscow TASS in English 1120 GMT 9 Aug 87

[Text] Managua August 9 TASS -- TASS Correspondent Andrey Kurguzov reports:

Nicaragua's readiness to start at any time a political dialogue with the U.S. on the settlement of the situation in Central America has been reiterated by President Daniel Ortega of Nicaragua.

Speaking over the TV last Saturday, he emphasized that the beginning of talks between the two countries would promote the improvement of a political situation in the region and the consolidation of universal security. The refusal of the U.S. Administration to discuss with Nicaragua prospects of the establishment of peace in the region shows that Washington is going to further count on the escalation of aggression against Nicaragua, on economic blackmail and destabilization.

The Nicaraguan leader demanded that the White House immediately stop any military and financial assistance to the contras and urged to look for ways of settling the Central American crisis in a peaceful way.

GUATEMALAN GROUP VISITS DEMICHEV, SUPREME SOVIET

PM051339 Moscow PRAVDA in Russian 5 Aug 87 Second Edition p 4

[TASS report: "Delegation's Stay"]

[Text] On 4 August, P.N. Demichev, candidate member of the CPSU Central Committee Politburo and first deputy chairman of the USSR Supreme Soviet Presidium, received in the Kremlin a Guatemalan Congress delegation headed by R. Maldonado, chairman of the Congress Foreign Affairs Commission.

In the course of the talks, the delegation members were briefed on the implementation of the decisions of the 27th CPSU Congress, which adopted a policy of accelerating the socioeconomic development of Soviet society, radically restructuring and democratizing all spheres of life.

P.N. Demichev drew the guests' attention to the Soviet initiatives to totally eliminate nuclear and other kinds of mass destruction weapons and strengthen peace and trust among states. The realities of the nuclear and space age, he pointed out, demand new approaches when shaping foreign policy, new political thinking, and the restructuring of international relations. Constructive actions also are needed to unblock regional crisis situations. Shows of strength and attempts by imperialist circles to dictate their will to other peoples lead to the exacerbation of the international situation.

The existence of a close connection between disarmament and development was emphasized. The ending of the arms race and real steps on the way to disarmament will make it possible to release additional resources to accelerate economic and social progress and resolve the very acute global problems facing mankind.

The head of the Guatemalan Congress delegation emphasized that people in their country are following with great attention the transformations taking place in the Soviet Union. M.S. Gorbachev's statements on questions of foreign and domestic policy elicit special interest.

The sides expressed a mutual interest in the development of Soviet-Guatemalan ties in various spheres and in the organization of regular exchanges along parliamentary lines.

On the same day the delegation had a meeting at the USSR Supreme Soviet. There was a detailed discussion of various aspects of the restructuring under way in the USSR, the activity of the USSR Supreme Soviet, and the work of its chambers' standing commissions.

The delegation members spoke about the processes of change taking place in their country and emphasized their interest in developing multifaceted ties with the USSR.

The Guatemalan parliamentarians visited the V.I. Lenin Mausoleum and laid a wreath. A wreath also was laid at the Tomb of the Unknown Soldier by the Kremlin Wall.

Maldonado Expresses Thanks

LD061952 Moscow Television Service in Russian 1550 GMT 6 Aug 87

[From the "Novosti" newscast]

[Text] A delegation from the Congress of the Republic of Guatemala visited the Soviet Union at the invitation of the USSR Supreme Soviet. Before leaving Moscow, Rodolpho Maldonado, leader of the delegation and chairman of the Congressional Commission for Foreign Affairs, was interviewed by Soviet television.

[Begin video recording, Moldonado in vernacular fading to Russian translation] I think that progress in rapprochement between the parliamentarians of our two countries and in achieving mutual understanding is the most important result of the visit by the Guatemalan parliamentarians to the Soviet Union. During the visit we went to Moscow, Leningrad, and Kirghizia. We were given a hearty welcome everywhere. We are profoundly grateful for that to the Soviet people and the Soviet Government. We had meetings with Comrades Demichev and Tolkunov. During the conversations, a mutual desire to defend the cause of peace was expressed. [end recording]

Departure Comments Noted

PM071449 Moscow IZVESTIYA in Russian 7 Aug 87 Morning Edition p 5

[TASS report: "Departure from Moscow"]

[Text] The Guatemalan Congress delegation headed by R. Maldonado, chairman of the congressional Foreign Affairs Commission, which had been in our country at the invitation of the USSR Supreme Soviet, left Moscow 5 August.

The delegation was seen off at the airport by L.N. Tolkunov, chairman of the USSR Supreme Soviet of the Union; K. Abdrayev, USSR Supreme Soviet deputy, and other officials.

This has been a real success in bringing the parliamentarians of Guatemala and the Soviet Union closer together and achieving mutual understanding. Our visit to the USSR can quite rightly be called historic. This assessment of the results of the Guatemalan parliamentarians' visit was made by R. Maldonado in conversation with a TASS correspondent before departure. We assess highly the friendly attitude and hospitality which we have sensed here.

We have been able to see with our own eyes the transformations taking place in the USSR and to familiarize ourselves with restructuring, about which we have heard a great deal. Soviet people's labor enthusiasm made a great impression on us. When we visited the Piskarevskiy Cemetery in Leningrad, he continued, and learned about your people's enormous casualties during World War II, we fully assessed the desire for peace that is inherent in Soviet people. Guatemalans also strive for peace, that is why we advocate the development of relations with all countries which understand us so as to struggle for it together.

This first visit by Guatemalan parliamentarians lays the foundation for developing relations between our countries in other spheres too. Thus, we hope in the very near future to implement our potential in the trade and economic spheres and to establish direct bilateral ties in this area. "Niva" and "Lada" cars are now popular in Guatemala. For our part we could sell coffee. We are also interested in developing cultural and tourist links and would like eventually to welcome artistes from the Bolshoy Theater to our country, the parliamentarian concluded.

PRAVDA CITES COMMUNIQUE ON CUBAN-ANGOLAN TALKS

PM051503 Moscow PRAVDA in Russian 5 Aug 87 First Edition p 4

[TASS report: "In an Atmosphere of Fraternity"]

[Text] Havana, 4 Aug -- Cuba and Angola hail the peace initiatives advanced by the Soviet Union to end the arms race, save mankind from destruction in a nuclear catastrophe, and ensure the peoples' security. This is stated in the Cuban-Angolan joint communique adopted on the results of the friendly working visit of Jose Eduardo dos Santos, chairman of the Popular Movement for the Liberation of Angola-Labor Party and president of the People's Republic of Angola, to Cuba. He visited at the invitation of Fidel Castro, first secretary of the Communist Party of Cuba Central Committee and president of the republic's Councils of State and Ministers.

During the visit official Cuban-Angolan talks were held, the document points out, in an atmosphere of fraternity characteristic of Cuban-Angolan relations and once again demonstrated a unity of criteria in evaluating basic questions of international politics and bilateral ties.

ROZANOV REPLACES PAVLOV AS COSTA RICAN AMBASSADOR

PM051535 Moscow PRAVDA in Russian 5 Aug 87 Second Edition p 6

[TASS report: "News Item"]

[Text] The USSR Supreme Soviet Presidium has appointed Comrade Vadim Leontyevich Rozanov USSR ambassador extraordinary and plenipotentiary to the Republic of Costa Rica.

The USSR Supreme Soviet Presidium has released Comrade Yuriy Ivanovich Pavlov from his duties as USSR ambassador extraordinary and plenipotentiary to the Republic of Costa Rica in connection with his reassignment.

RESTRUCTURING UKRAINE'S ECONOMIC MANAGEMENT

AU111503 Kiev RADYANSKA UKRAINA in Ukrainian 8 Aug 87 p 1

[Unattributed report: "In the Ukraine Communist Party Central Committee"]

[Text] A conference was recently held in the Ukrainian Communist Party Central Committee to discuss restructuring economic management in line with the decisions of the CPSU Central Committee June (1987) Plenum and the Ukrainian Communist Party Central Committee July (1987) Plenum. It was attended by chiefs of the economic, trade, and financial departments under obkoms; leaders and secretaries of basic party organizations within the republic's economic departments; and responsible functionaries of the Ukrainian Communist Party Central Committee, Council of Ministers' Affairs Administration, and Gosplan.

It was emphasized at the conference that, to restructure management, party functionaries were expected to assume a political approach toward accomplishing the tasks of economic reform, to profoundly master economics, and to be perfectly able to find their bearings in complex economic situations. Under the new conditions, the role of territorial management organs has significantly increased. They have been obligated to coordinate the activity of all enterprises in the region. Provisions have been made to establish production and economic administrations in oblasts, which have to ensure practical compliance with the party directives concerning the comprehensive economic and social development of the territory.

It was emphasized that, to abide by the law on the state enterprise, which comes into force on 1 January 1988, and to gradually switch associations and enterprises over to full economic accountability and self-financing, it was essential to create the necessary economic conditions, and to improve the financial situation of the national economy in a number of oblasts. Particular attention was paid to working out economic standards [normatyvy] and delivering them in time to the enterprises.

It was noted that the production branches of the national economy were slow in restructuring the wage system in accordance with the decision adopted by the CPSU Central Committee, the USSR Council of Ministers, and the AUCCTU. The unsatisfactory state of setting standards and the poor use made of the possibilities of certifying and rationalizing workplaces are among the main causes of this situation. Economic accountability is still being poorly adopted by teams, and in the republic's industry teams working on contracts only amount to 3.7 percent. Obkom departments have been instructed to constantly focus on the progress made in implementing this decision.

Republic-level economic departments have been commissioned to raise the standards of economic work in regions, at associations and enterprises, and first of all to actively participate in the organization of universal economic education and in the retraining of cadres.

The speakers in the discussion were: A.P. Savchenko, Economic Department chief in the Ukrainian Communist Party Central Committee; V.P. Popov, Ukrainian Gosplan first deputy chairman; Academician I. I. Lukinov, vice president of the Ukrainian Academy of Sciences; I.A. Zabrodin, Ukrainian minister of finance; V.P. Getman, first deputy chairman of the Ukrainian State Committee on Prices; V.D. Buryak, manager of the Ukrainian republic-level office of the USSR State Bank; A.I Troyan, chief of the Ukrainian Central Statistical Administration; V.P. Matviyenko, manager of the Ukrainian republic-level office of the USSR Construction Bank; V.I. Potrashkov, Economic Department chief under Kharkov Obkom; and N. V. Ilyin, Economic Department chief under Kiev Gorkom.

The conference was addressed by S.I. Gurenko, Ukrainian Communist Party Central Committee Politburo candidate member and secretary.

REPORTAGE ON REGIONAL CENTRAL COMMITTEE PLENUMS

Estonia: 'Frank' Discussion

PM120912 Moscow PRAVDA in Russian 8 Aug 87 Second Edition p 3

[PRAVDA correspondent V. Shirokov report under the rubric "Communists Discuss the CPSU Central Committee June Plenum Decisions" and the general heading "Scope for Initiative": "Estonia"]

[Text] Tallinn -- Before the plenum, a meeting with leaders and party committee secretaries of industrial enterprises working on the principles of full economic accountability took place at the Estonian Communist Party Central Committee. The exchange of opinions on the restructuring in the economy proved businesslike and frank, and acted as a kind of touchstone for the work of the plenum, which met to discuss the tasks of the republican party organization in fulfilling the decisions of the CPSU Central Committee June plenum. A report was delivered by K. Vayno, first secretary of the Estonian Communist Party Central Committee.

Both the keynote speaker and those who spoke in the debate, including S. Kont, first secretary of Kharyuskiy Raykom, L. Silkin, weaver at the Baltiyskaya Manufaktura Combine, I. Shpelevich, director of the Kh. Pegelman Electrical Equipment Plant, and others, noted that the restructuring which is under way in the republic is making itself felt firmly in practical actions. In industry, labor productivity has increased and the volume of output has grown by 3.7 percent. The agro-industrial complex fulfilled the half-year plan for purchases of livestock products. Changes for the better are in evidence in social development.

But the plenum participants, while giving a fair assessment of the new shoots, did not permit exaggeration, still less complacency, and touched more on the problems in which the contradictory nature of the current transformations is most apparent. Mention was made, in particular, of the complexities which have arisen over the introduction of state acceptance. Because of technological violations, incomplete testing, and poor output quality, production was temporarily halted at certain sectors of the Volta Plant, the RET and Talleks Associations, and the Pyarnu Machine Building Enterprise. The process of switching labor collectives over to a multishift work system is taking place extremely irresolutely, although the need for this is dictated by life itself. The republic still has many loss-making economic components, which has a negative effect on stimulating labor remuneration and on the collectives' social development. Since the beginning of the year, one in five industrial enterprises and one in three construction organizations has not fulfilled the profit plan.

Or take agriculture. The situation in this important sector was spoken of keenly and conclusively by Kh. Parik, director of the "Tartu" support and demonstration sovkhoz, A. Luukas, first secretary of Raplaskiy Raykom, and others. Their view is that economic accountability relations should be established more rapidly in the countryside and -- most importantly -- more intelligently. As, for instance, in Rakvereskiy Rayon, where "Pandivere," the first agro-industrial firm [agrofirma], was born, uniting four farms. In a short time they have put many ideas into practice here and resolved serious organizational, economic, and social questions. As a result there has been a fundamental change in the relationship between farms and the processing sector.

Estonia recently proposed to the union organs that all sovkhozes and kolkhozes go over to full economic accountability and self-financing from next year. The initiative met with support. It is not hard to imagine what difficulties could face the rural workers if the new economic mechanism suddenly grinds to a halt. The plenum participants formulated the question correctly: It is necessary to increase the responsibility of leaders of party, soviet, and economic organs for the restructuring in the agro-industrial sector, in order to eliminate thoughtlessness and voluntarism in decisions and actions.

The republic has taken a number of measures to improve the management structure. Three departments have been abolished and an integrated economically accountable construction complex formed -- the Estonian SSR State Construction Committee. For the first time at republican level an economically accountable foreign trade association, Estimpeks, has been set up. The first two agreements have already been signed with Finnish firms on organizing joint enterprises -- for the production of varnish and paint materials and fashion clothing.

While approving what has been done, the plenum drew attention to the fact that similar steps are needed in the social sphere. The half-year results indicate that not everyone has grasped the political significance of fulfilling the housing construction program. The housing commissioning plan was not met by Kokhtla-Yarve Gorispolkom, Kingiseppskiy Rayispolkom, the State Agro-Industrial Committee, the Estonfosforit Production Association, and certain other departments.

Without democratization and the active development of self-management in the collectives, no real transformations can be achieved and you cannot stimulate a broad stratum of people's initiative, the speakers said. This end should be promoted by the creation of labor collective councils at the enterprises -- a true school of democracy. But whereas 27 of them are in operation in Narva, in Tartu there is only one. Kharyuskiy and Rakvereskiy Rayons have forgotten about them.

All the work in renewing the economic structure mechanism should be constantly and unremittingly monitored by the party organizations and should take place under their leadership. A special role is assigned to grass-roots party components, who often lack activeness and responsibility. New forms of influence have appeared recently in the activity of the republic's party organs. These include gorkom and raykom days in the primary party organizations and visiting plenums, which some committees have begun practicing. But the crux of the matter is for the gorkoms and raykoms, in their work with primary organizations, to direct them more toward the resolution of the concrete tasks of the restructuring and help them to determine more accurately what practical form their participation in the current changes should take.

That is what Pyarnuskiy Raykom is doing, having set the goal of bringing the laggard kolkhozes and sovkhozes up to scratch. Its first secretary, hero of Socialist Labor V. Udam, explained that the analysis of the state of affairs on the farms and the drawing up of effective measures were carried out with the help of workers from the raykom apparatus, specialists from the rayon agro-industrial association and republican departments, and scientists, and they were then examined at the primary party organizations. People in the rayon have begun calling such discussions the "acceleration bureau." There is something new here, in the in-depth search for internal reserves and intelligent consultation about how best to bring them into play most rapidly. The farms assessed the collective recommendations appropriately, and considerably accelerated their progress. Thus on the Massiaru Kolkhoz milk production has increased by 24 percent and meat production by 8 percent since the beginning of the year.

As for the work of the Central Committee as a whole and the gorkoms and raykoms, the plenum noted: Although there is less petty tutelage, inappropriate interference, and paper-shuffling, it is necessary to continue to improve the style. To this end the estonian Communist Party Central Committee Bureau adopted a decision to certify all senior party workers this year, beginning with the central apparatus. It is necessary to ensure that the certification is not merely formal and does not become a statistical exercise.

The plenum set high goals and difficult targets for the republic's party organizations. Now it is important to ensure the fulfillment of every item planned. That means using the prestige of the party organs and their characteristic methods.

Latvia: Personnel Changes

PM101105 Riga SOVETSKAYA LATVIYA in Russian 26 Jul 87 p 1

[LATINFORM report: "Information Report On Latvian Communist Party Central Committee Plenum"]

[Text] A plenum of the Latvian Communist Party Central Committee took place in Riga on 25 July 1987. The plenum discussed the question "On the tasks of the republic party organization stemming from the decisions of the CPSU Central Committee June (1987) Plenum on deepening restructuring and the radical reform of the economic mechanism."

B.K. Pugo, first secretary of the Latvian Communist Party Central Committee, delivered the report.

The following took part in the debate on the report: A.P. Klautsen, first secretary of Riga Gorkom; R.Ya. Matisa, first secretary of Valmiyerskiy Raykom; V.I. Krukovskiy, docker and machine operator at the Latvian Steamship Line's Riga mercantile port; A.D. Drozda, chairman of Liyepaya Gorispolkom; A.K. Zitmanis, chairman of the Latvian Republic Trade Unions Council; L.P. Skosta, general director of the agrofirm named for the 25th CPSU Congress; G.I. Polyanskiy, chairman of the Latvian SSR State Committee for Material and Technical Supply; T.I. Savitskaya, first secretary of Riga's Leninskiy Raykom; M.L. Raman, deputy chairman of the Latvian SSR Council of Ministers and chairman of the republic's Gosplan; A.P. Bril, secretary of the Latvian Communist Party Central Committee; Ya.A. Liyepinsh, chairman of the Latvian SSR State Committee on Prices; A.M. Baklanov, general director of the "Alfa" Production Association; V.A. Zemmitska, chief of the production sector of Bayskiy Rayon's "Tsode" Kolkhoz; V.V. Zharkov, first secretary of Daugavpils Gorkom.

B.K. Pugo delivered the closing remarks.

The plenum adopted a comprehensive resolution on the question under discussion.

Organizational questions were examined at the plenum.

The plenum promoted the following from candidate members to full members of the Latvian Communist Party Central Committee: I.F. Strautin, chairman of the Latvian Republic Union of Consumers' Societies, and D.S. Tukans, leader of a team of inlay plasterers at the Yurmala Territorial General Construction Trust.

The plenum confirmed the appointment of N.Yu. Usin as administrator of affairs of the Latvian Communist Party Central Committee, relieving him of the duties of chief of the Latvian Communist party Central Committee Administrative Organs Department.

T.L. Dushkevich's appointment as chief of the Latvian Communist Party Central Committee Administrative Organs Department was confirmed.

G.V. Bagnovets has been released from the post of chief of the Latvian Communist Party Central Committee Construction and Municipal Services Department in connection with his reassignment. The plenum confirmed I.N. Kudryatsev's appointment as chief of the Latvian Communist Party Central Committee Construction and Municipal Services Department.

CPSU Central Committee Inspector A.A. Yanovich took part in the work of the plenum.

Lithuania: 'Inertia', 'Reluctance'

PM111524 Moscow PRAVDA in Russian 8 Aug 87 Second Edition p 3

[PRAVDA correspondent D. Shnyukas report under the rubric "Communists Discuss the CPSU Central Committee June Plenum Decisions" and the general heading "Scope for Initiative": "Lithuania"]

[Text] Vilnius -- What are the initial results of the restructuring in the republic's national economy? What is to be done in the immediate future? These questions were at the center of the attention of participants in the Lithuanian Communist Party Central Committee Plenum, which discussed tasks in fulfilling the decisions of the CPSU Central Committee June Plenum.

The following facts were cited in the report by P. Grishkyavichus, first secretary of the republic Communist Party Central Committee. The republic Ministry of Light Industry and Ministry of Land Reclamation and Water resources, the whole of state and cooperative trade, and 18 associations and enterprises under union jurisdiction have gone over to full economic accountability and self-financing. The new supply procedure, wholesale trade in material and technical resources, is being assimilated by 96 labor collectives. In the last 2 years it has been possible to increase the profitability of many sectors of industry, speed up the process of renewal of production capital, and increase responsibility for observance of state discipline. This year, for the first time, the entire increase in industrial output has been achieved through increased labor productivity.

But as was noted in the report and the debate, the new shoots are springing up only slowly. They are hampered by inertia in the way of thinking, obsolete directives and instructions, and sometimes the reluctance of some people to change their leadership style. The new economic mechanism is only just being adjusted, and alongside the successes there are failures. Compared with the first half of last year, the volume of undelivered output increased. Every fourth enterprise working under the conditions of state acceptance failed to fulfill the production plan. Instead of a multishift work system being introduced, the equipment shift index is actually falling. The plan for the commissioning of housing and social, cultural, and consumer facilities was not met. Many enterprises still show too little concern for consumer goods production.

In connection with these and other problems, there was criticism of B. Zaykauska, chairman of the Gosplan; V. Kazanavichyus and Yu. Rusenko, deputy chairmen of the Council of Ministers; I. Ramanauskas, minister of light industry; G. Simenenko, minister of local industry; B. Sheshplaukis, minister of construction; A. Baltushis, chairman of the Litagropromstroy [expansion unknown] and others.

The plenum participants noted that the results of the restructuring are as yet modest in the agrarian sector too. This was spoken of with concern by V. Marazas, chairman of the Zhelsvyale Kolkhoz in Kapsukskiy Rayon; Ya. Stonkuvene, team leader at the Tauralaukis Sovkhoz in Klaypedskiy Rayon; G. Konoplev, first deputy chairman of the republic Gosagroprom [State Agro-Industrial Committee], and others. Meat production has fallen on every fourth farm. In terms of the rate of growth in mild yields, all the neighboring republics have caught up with Lithuania. Unfortunately, the speakers said, the new organization of the sector's management has yet to yield the anticipated results. Many rayon agro-industrial associations have not yet shown themselves to be authoritative, autonomous bodies. As before, various instructions and commands still to frequently arrive "from above." Yet agro-industrial committees are capable of working in a different way.

For instance, a CPSU Central Committee resolution was adopted recently, in which the republic was criticized for shortcomings in feed production. The party organizations took the criticism seriously. Even in rainy weather the feed procurement workers managed to work smoothly.

The plenum devoted great attention to the work of construction organizations, where many problems have also accumulated. Poor use is made of the reserves of individual and cooperative construction and construction out of enterprises' own resources. An example was cited: The leadership of a calculating machine plan asked the Vilnius Gorispolkom to allocate a plot for the construction of apartment blocks out of its own resources. But the ispolkom dictated such conditions that the initiators lost the desire to tackle the matter.

The slow progress and even marking time in a number of sectors are the result of the sluggish restructuring of the leadership style. Sometimes leaders speak in the new way from the platform, but manage affairs in the old way. It has become more difficult ot resolve questions at ministerial level. It was noted that everything possible should be done to make economic incentives operate to full capacity. As yet there are many problems here. What is the use, for instance, of having surplus money in the bank, when its owners cannot use it because of the lack of quotas or allocations or because of innumerable obstacles. The question was raised: Why cannot labor collectives defend their own normatives, why are these born in ministerial offices and imposed often arbitrarily?

The control system was criticized at the plenum. This work is done by 90 institutions and control and inspection services, attached to virtually all the ministries and deartments. A total of some 6,000 people are engaged in it, and yet the checks lack effectiveness. Therefore the speakers fully supported the conclusion of the CPSU Central Committee June Plenum on the need to put this matter in order.

The keynote speaker and other speakers noted that the formation of the new economic mechanism is being delayed by formalism and intervention in enterprises' day-to-day activity by the method of pressure and decrees.

It is time to put an end to this and take up more rapidly the positive experience accumulated in the republic. Correct steps are being taken by Shyaulyaya Gorkom and Maxheykskiy, Telshyayskiy, and a number of other raykoms. Their work is characterized by their depth of understanding of the problems and purposefulness and persistence in achieving the goals set. Ch. Shlizhyus, first secretary of Klaypeda Gorkom, A. Chistyakov, secretary of Vilnius Gorkom, and other speakers spoke of the quest for new approaches to the task and their establishment in practice.

Examples of another kind were also cited. For instance, certain gorkoms and raykoms, including Kapsukskiy and Kedaynskiy, far from leading the restructuring, are themselves proving slow to master the new work methods. There is a similar situation in a number of soviet institutions. The report also self-critically reflected shortcomings in the activity of the Lithuanian Communist Party Central Committee Bureau and Secretariat and its departments. But regret was expressed that the participants in plenums are sometimes timid in assessing the work of the republican party organization headquarters.

Speakers also spoke of the tenacity of the short-term campaign approach. For instance, a directive was issued to carry out certification of primary party organization secretaries in 2 months. What is the use of such haste? Many party workers, including raykom secretaries, still have only a poor understanding of economic innovations, and therefore the question of improving their training was raised.

The plenum outlined an extensive program of organizational and educational work in all avenues of the restructuring. The resolution stresses the need to further strengthen the friendship of the Soviet peoples and the principles of proletarian internationalism. Much work lies ahead in the atheistic education of the working people, which was deemed unsatisfactory.

On behalf of Lithuania's Communists, the plenum participants expressed unanimous resolve to make the greatest possible efforts to deepen and accelerate the restructuring and ensure unconditional fulfillment of the tasks ahead.

Turkmenistan: Niyazov Speaks

LD081938 Moscow Television Service in Russian 1430 GMT 8 Aug 87

[From the "Vremya" newscast; announcer-read report]

[Text] The Turkmen Communist Party Central Committee held a plenum today in Ashkhabad. The participants discussed the republican party organization's tasks ensuing from the decisions of the CPSU Central Committee June Plenum.

Comrade Niyazov, first secretary of the Turkmen Communist Party Central Committee, spoke at the plenum. There was also a discussion of the republic's party organizations' tasks in strengthening the party ranks, in recruiting to the party and in educating young communists.

Tajikistan: 'Stagnation Phenomena'

PM111640 Moscow PRAVDA in Russian 8 Aug 87 Second Edition p 3

[PRAVDA correspondent O. Latifi report under the rubric "Communists Discuss the CPSU Central Committee June Plenum Decisions" and the general heading "Scope for Initiative": "Tajikistan"]

[Text] Dushanbe -- The republic's economy is "shifting" increasingly in the direction of the mountains. This means, to some extent, a return to the abandoned lands from where people at one time moved to the valleys, where the problem of increasing raw cotton production was being tackled. Now living and working there means crowding. In the high mountains the old land areas are being restored, and new ones opened up. Here too hydroelectric power stations are being built, designed to provide power and water to the growing industry, and the agro-industrial complex. It is necessary, it was noted at the Tajik Communist Party Central Committee plenum, resolutely to overcome both the stagnation phenomena and the lag in the republic's socioeconomic development in relation to the unionwide level.

"We should proceed on the basis," the keynote speaker, K. Makhkamov, first secretary of the Tajik Communist Party Central Committee, said, "that the acceleration of the rate of growth of national income is decisive. It is necessary to ensure that, starting with the 13th 5-Year Plan, its growth is 6-7 percent a year. This means that by the end of the first 5-year plan of the next century, the total volume of national income produced should increase by 150-170 percent, or 50 percent per head of population."

In the report and in the speeches by T. Mirkhalikov, first secretary of Leninabad Obkom, V. Medvedev, republican minister of the construction materials industry, and A. Khamsariyev, Belaz truck driver from the Rogunskaya GES construction site, it was stated that only an abrupt change in minds and actions and a change in the economic mechanism and economic levers so as to bring them into line with today's demands can accelerate Tajikistan's socioeconomic development. There is no other way. At the present rate, for instance, the housing program will not be mastered until...the middle of the 21st century. This means we must work harder, not in words but in deeds.

Changes for the better have undoubtedly occurred in many sectors. The volume of industrial production is growing more rapidly than last year, and labor productivity is also increasing. But the state of affairs regarding the fulfillment of plans for deliveries under contract and for the range of output has deteriorated. The situation in the agro-industrial complex is worrying. The republican Gosagroprom has yet to direct the sectors under its jurisdiction along the path of intensive development. Even people's own experience, accumulated over the years, is not widely applied in the fields and livestock units. A verbal and paper style prevails in the work of leaders of many components of the agro-industrial complex. The standard of economic activity in the localities is low. Many leaders and specialists have a poor mastery of economic methods of management and planning, especially in the conditions of full economic accountability.

The following instance was cited. Last year unproductive expenditure and losses affecting the prime cost of output exceeded R105 million in the republic as a whole. Over the year they have increased by more than 16 percent. More than one-third is accounted for by the Gosagroprom. The construction workers also let us down. Not one subcontracting organization of the Ministry of Construction has gone over to full economic accountability. In the last 5 years construction subunits have paid out R13 million in fines for failing to meet dates for the repayment of credits.

I. Glazunov, director of the Anzob mining enrichment combine, B. Khudoyerova, sector chief at the Maksim Gorkiy Kolkhoz in Kommunisticheskiy Rayon, and others raised a number of problems which inevitably arise in the course of the transition to full economic accountability. What can be done, for instance, about subsidies paid by enterprises for the running of preschool institutions? These and many other institutions and organizations which receive financial assistance from enterprises belong to other departments... In the speakers' opinion the restructuring, by rapidly changing the accustomed order, raises many other questions which demand equally rapid, bold, and nonstandard solutions.

V. Krayushkina, chief engineer at the Dushanbe 50th Anniversary of the USSR Sewn Goods Association, A. Khalimov, first secretary of Dushanbe Gorkom, and Yu. Zatsarinnyy, deputy chairman of the Tajik Council of Ministers, considering the need for more urgency in introducing the achievements of scientific and technical progress into production, proposed concrete measures for overcoming the "lull" which has set in here. In this connection there was serious criticism of the Ministry of Light Industry and the USSR Ministry of Power and Electrification. It was said that the republican Academy of Sciences does not play the part of active champion of scientific and technical ideas and new developments. At the Chemistry Institute, for instance, many hundreds of thousands of rubles have been spent on research into the creation of new materials for electronic equipment, but there are no practical recommendations. As M. Asimov, president of the republican Academy of Sciences, admitted in his speech, only 15 percent of research studies by scientific institutions subodinate to the academy are up to world standards, and one-fourth up to the unionwide standard. Comment, as they say, is superfluous.

Ways of implementing the planned social program in the conditions of a high population growth rate were discussed with great interest. There are many problems here too. As yet insufficient attention is being devoted to the fate of medium-sized and small cities and rural settlements. Because of the shortage of jobs, especially in the countryside, women are primarily employed in housework. In this connection great hopes were pinned on the expansion of individual labor activity and the organization of cooperatives. Some of these have already given a good showing. But certain local soviet ispolkoms, in examining applications to organize them, show bureaucracy and red tape, while administrative organs, for some unknown reason, saw prohibitive and restrictive actions as their chief functions. Cooperative services to the population, the plenum participants opined, should be in the field of vision of party committees, primary party organizations, and enterprises' collectives.

In order to eliminate the serious shortcomings in the development of the economy and the social sphere, the work of all management components must be radically improved. The republic Council of Ministers must take a more principled approach to instances of the violation of plan discipline and irresponsibilty on the part of leaders of ministries and departments. [paragraph continues]

The activity of the sector departments of the Tajik Communist Party Central committee needs improving; they not infrequently duplicate and take the place of Council of Ministers departments, local soviet ispolkoms, and leaders of ministries and departments. A knowledge of cadres and their skillful placing and education -- that is what is required of the workers on Central Committee departments. Only on this condition is it possible to minimize errors in cadre policy, of which, unfortunately, there are still many.

The keynote speaker acknowledged self-criticially that despite the decisions adopted earlier, there have not been the necessary changes in the work style of the Central Committee Bureau and secretaries. The demand for constant study by workers on party committees is not being fulfilled. It has not been possible to ensure that political methods of leadership are the most important in their activity. It is necessary, the speakers said, urgently to study this yourselves and to teach others.

Only by constantly improving their work methods, the speakers noted, can party committees and primary party organizations bring into action the reserves which exist in every labor collective. The plenum defined tasks for accelerating the restructuring and ensuring the successful fulfillment of targets for the 2d year of the 5-year plan and a fitting greeting for the 70th anniversary of Great October.

MOSCOW OGONEK WITHDRAWS ARTICLE ON UZBEK 'MAFIA'

LD061734 Stockholm Domestic Service in Swedish 1600 GMT 6 Aug 87

[Text] The Soviet Republic of Uzbekistan during the past 20 years has been intimidated by a well-organized mafia with its own bank and its own army of hired murderers. This should have been disclosed in an article in a popular Soviet weekly -- I say should have been, because the article was removed at the last moment. It was too juicy for the new Soviet openness. Our correspondent has been looking into the article.

[Correspondent Elizabeth Hedborg] For 20 years the mafia in the Republic of Uzbekistan has been a state within a state. It regularly demanded a special tax of 15 percent of the revenue of all enterprises, stores, repair shops, hospitals, and rest homes. Each time this tax was demanded, there was the threat: If you (? tell tales), we shall take three times as much next time. The money went to the mafia's own bank and was used to bribe politicians, journalists, and people in the police, the judicial system, and in other influential posts. The money was also used to pay professional murderers who eliminated the enemies of the mafia. Sometimes the murderers were also used in the power struggle which naturally went on within the mafia itself.

The mafia built up a feared and influential power apparatus in the whole of the republic. It was an organization which, according to what can be presumed, had more say in matters than the party and state bodies. One can also presume that important persons within the mafia had important official positions; in other words, that the underground power and the legal power in many cases were identical.

The article revealing these shocking facts should have been published in the popular weekly OGONEK, No 28, in July. According to my informants, the article was withdrawn at the last moment. The information I have received about the contents of the article comes from a person who had an opportunity to read the proofs of the article. Why the otherwise so fearless editorial staff of OGONEK -- the magazine is one of the best in the Soviet Union just now -- did not dare to go whole hog and publish the article, is undeniably a riddle.

PRAVDA REPORTS KAMENSKAYA TRAIN WRECK

PM111231 Moscow PRAVDA in Russian 10 Aug 87 Second Edition p 8

[Correspondent M. Kryukov report under the rubric "Details": "Crash"]

[Text] Kamensk-Shakhtinskiy, 9 Aug -- As already reported, there has been a rail crash at Kamenskaya Station. Our correspondent reports:

The ground on this section of the station tracks is mixed up with rails scattered by a terrible force and with ties smashed to splinters. The mangled iron frameworks of grain freight cars are piled up on each other.

They have "grappled" with each other and been soldered together. They are being taken apart and removed with great difficulty.

The electric locomotive which was pulling the freight train has also been mangled. On the night of 7 August it ran at high speed into the rear of Rostov-Moscow passenger train No 335 and literally covered the cars. The last two cars -- Nos 14 and 15 -- were instantly crushed, and car No 13 was damaged. Dozens of people died as a result of the crash...

A few hours after the crash a headquarters had already been established in Kamensk-Shakhtinskiy to deal with the accident. Bulldozers and tractors were driven to the station. "First aid" vehicles were the first to arrive. Doctors gave the casualties emergency aid.

"Telephones at once started ringing at the gorkom and the gorispolkom," N. Dubovitskiy, first secretary of Kamensk Gorkom, said. "They were blood donors, students from construction detachments, and enterprise workers calling, asking how they could help. They turned up in groups. Their assistance was very useful..."

In the city's Donets Hotel, where the headquarters is housed and where newcomers are fixed up, we were shown a long list of residents' surnames. They have offered a roof for relatives of the dead.

Valentin Shatokha, worker at the No 4 Road Repair and Construction Administration, came into the headquarters while we were there.

"Be sure to put someone up with me. Let as many stay as need to."

Gorispolkom Secretary B. Shachnin was now on duty at the headquarters. Beside him were A. Potseluyev, deputy chief of the city militia department for political affairs; I. Boyarko, chairman of the city People's Control Committee; and others. Each has his own duties. The telephones were ringing incessantly.

A call came in from the city of Novoshakhtinsk. An agitated voice inquired whether there was a Boris Yefremov among the dead. He had been going on a tourist trip to Moscow with other boys. Both of them -- Shachnin and Potseluyev -- looked through the lists. Other matters awaited them, but they did not hurry, so as not to make a mistake. Understandably, at the other end of the line people were waiting for the reply with a sinking heart. At last Shachnin spoke with relief into the handset: Boris Yefremov and the groups of boys had not been on that train. More and more calls...

B. Shachnin showed me a long list of surnames. There were more than 400.

"These are the ones who continued their journey to Moscow. They have all been listed. It is easier to seek by a process of elimination..."

Traffic has not yet been reopened at Kamenskaya Station. Reconstruction work is continuing night and day. It is also necessary to remove the grain, thousands of tonnes of which are scattered on the tracks. People form a chain and pass along buckets of grain, which are loaded into cars. It is sent from here to grain reception centers. People work silently, intensely, not noticing their fatigue. Teams from the "Rossiya" Chemical Combine and the "Khimvolokno" Production Association are working here now. A. Ulanov, deputy chairman of the gorispolkom, and A. Deyneka, gorkom inspector, described how quickly and unanimously the city's residents and workers of local enterprises had responded to the disaster. For example, an application was made to the sewn goods production association for 15 people. More than 50 turned up. Those who have remained are doing the equivalent of two people's work. Many young people are working to clear the obstruction at the station. The Kamensk zonal student construction detachment headquarters have been helping the city. Men from the Rostov Rail Transport Engineers Institute, the Novocherkassk Polytechnical Institute, the Dagestan Polytechnical Institute, and the Rostov Institute of the National Economy are working with heart and soul. The local medics proved equal to the challenge, greatly aided by physicians from Rostov.

We traveled to the other end of town, currently the bleakest spot. But it must be discussed, if only because several people -- relatives of victims -- told us: "Write about our tears. Write for those who were to blame for the accident. Let them know what a price has to be paid."

Identification of the dead was under way here. Documents had not been found on everyone.

Raya Dolgova lives in Rostov and works at the "Tushkina" workshop. Her sister along with her husband and their two children were coming to visit her. Now the entire family has been killed...

Of course, consolation does not help. But something nonetheless can and must be done to help the victims and their relatives and friends. "Patronage" of each person is being organized and someone from the local aktiv is "sticking with them." The city is also undertaking a considerable amount of practical concerns.

I inquired about the fate of the locomotive team. The engineer had been thrown from the cabin. He was taken to the hospital. His assistant is also alive.

Another session of the government commission was held at 2000 hours. The session was chaired by G. Vedernikov, deputy chairman of the USSR Council of Ministers. Details were given of what had been done during the day, the problems that had arisen, and how to solve them as quickly as possible. The conversation was firm and to the point in a businesslike manner.

After the commission session I had a short conversation with G. Vedernikov. Answering the questions, he said:

"The investigation will show who was to blame for the accident and how it became possible. As for the rest, you will see -- every measure is being taken to help those affected by the accident and to restore traffic through the station as soon as possible."

Mikhail Sergeyevich Gorbachev phoned the Rostov Obkom. He inquired about details of the accident. He asked what help was being given to the families of the dead. He asked for particular attention to be devoted to this.

...The city of Kamensk-Shakhtinskiy is continuing its doleful vigil. Its inhabitants are working selflessly. At a difficult time we sense there is a shoulder to lean on.

Government Sends Condolences

LD071434 Moscow TASS in English 1415 GMT 7 Aug 87

[Text] Moscow August 7 TASS -- A passenger train and a freight one collided at Kamenskaya station of the south-eastern railway last night. There is loss of life.

The CPSU Central Committee, the Presidium of the USSR Supreme Soviet and the Council of ministers of the USSR conveyed deep-felt condolences to the families and relatives of the killed.

A government commission has been formed to inquire into the causes of the disaster. The commission is headed by Gennadiy Vedernikov, deputy chairman of the Council of Ministers of the USSR.

Measures are being taken to render assistance to the families of the killed, and to eliminate the aftermath of the collision.

YEVTUSHENKO REFLECTS ON CHERNOBYL DOCUMENTARY

PM120909 Moscow IZVESTIYA in Russian 6 Aug 87 Morning Edition p 3

[Yevg. Yevtushenko article: "For Whom the Chernobyl Bell Tolls. Remarks on the latest Product From the Central Documentary Movie Studio"]

[Text] The quotation from John Donne used by Hemingway in the title of his famous novel "For Whom The Bell Tolls" comes increasingly often to mind in the wake of so many 20th century tragedies, which form, as it were, links in an endless chain. Many people are now arguing about the projected monument on Poklonnaya Gora. I am no expert but, out of all the monuments to those who died during the Great Patritoic War, the one I like best is the Khatyn complex with its grimly understated sorrow, where the bells on the old incinerator chimneys softly ring in the wind when it gently shakes them. The sound of the Chernobyl bells carries much further -- their echo was heard beyond the seven seas and brought to the majority of human hearts not any malicious political delight, but painful reflectors on how all human lives are interlinked beneath the sign of the nuclear threat. The Chernobyl bells are tolling not only for those who died as a result of the catastrophe, not only for those who may die tomorrow or the day after as a result of its direct or indirect consequences, but also for those who may never see the world because there will be no world to see.

"The Chernobyl accident illuminated once more the chasm which would open if a nuclear war befell mankind... We realize: This is just one more toll of the bell, one more terrible warning..." Those words were very accurate, and they themselves became one more toll of the bell. These words are the epigraph to the new documentary movie "The Chernobyl Bell" [Kolokol Chernobylya], directed by Rollan Sergiyenko from a script by Vladimir Sinelnikov.

The strength of the movie lies in the fact that it is direct and accessible without being trite. Its makers have not taken either the path of whipping up terror or the path of glossing over it. Their wish was to find out what had happened. They did not enter the radiation zone to make stunning cinematographic "discoveries," but in order to make the ultimate discovery -- the thought summing up the facts.

Facts are now pouring out literally in heaps and piles from the pages of our press, and yet there is a shortage of thoughts to sum them up. What was my main thought, having seen the movie? The thought that a crime which results in people's death could be unintentional or involuntary, caused partly by daily work routine and partly by a most sincere desire to help along the so-called "production process" and accelerate it. It is terrifying to hear the calm and weary comment of power station worker Golubev: "What hurts me about this whole story is the fact that, in general, tiny alarm bells rang in the past. Decisions were made... papers were written, but nothing got done, absolutely nothing. In the end we came up against something serious, but had to face it emptyhanded, and in the process of this work we had to really improvise, to invent something..."

Oh carelessness, unintentional mother of so many crimes! "Decisions were made, papers were written..." We have all, especially in the recent past, been loudly accusing those bureaucrats for whom "decisions" and "papers" are more important than people. But let us pause and think why it is that these decisions still do not get fulfilled and the "papers" remain nothing but papers. Simply because the bureaucrat, while considering the "paper" more important than people, attaches absolutely no importance to the "paper" itself. Such a bureaucrat attaches no importance to anything at all, except himself. At the same time, however, he does not see himself as an egoist because, in his own eyes, he is an embodiment of the state and disguises all his ambitions, willfulness, and egoism as the interest and will of the state. It is here that the inception of unintentional crimes lies.

The announcer-read text has all the solemn and terrifying simplicity of a nuclear requiem: "No one will pick these apples. They will rot, retaining their radioactive seeds. The wheat grains will fall into the earth, they will germinate, and will once again grow into a radioactive field. They will be picked by birds -- and birds recognize no borders!" There we have it -- the payment for carelessness, payment which will be spread over a long time to come. Here is another excerpt from the announcer-read text, offering food for sad reflection: "The distance separating officials and dividing words and deeds were probably shorter in this two-story Chernobyl house (where the special state commission was working) than anywhere else." I believe that matters need not go as far as national disasters to reduce the distances separating officials and dividing words and deeds. Otherwise life will continue presenting us, time and again, with more unpleasant "gifts." People who, despite the prohibition, still angle in poisoned river waters for radioactive fish -- are they not an example of carelessness which nothing and no one can eradicate from criminally reckless heads! Here is another thought that occurred to me: Are there really all that many sophisticated criminals in history, all that many movie villains with the mentality of a Barmaley? But underdeveloped conscience, stupidity, and stubbornness turn into crimes against our contemporaries and our offspring; into the loosening of track bolts before the express train of the future by a reckless "criminal," as Chekhov described it.

"The Chernobyl Bell" is a documentary, but I would say that it is a documentary-philosophical movie. Our cinematography contains classic examples of this genre. The genre of on-screen coverage of current affairs, suppressed by the "suppose-something-goes-wrong-ers," is now forcefully striding forward, not simply illustrating history but also analyzing it as mercilessly as it deserves, because it often shows no mercy to us. Even so, however, some comrades from ministries and departments still demand that movies affecting their departmental interests be submitted for their approval and try to interfere with this movie. A firm end must be put to all this.

"The Chernobyl Bell" depicts an amazing array of images of people who saved the power station and the unforgettable peasant women, forced to abandon the places where they were born but not driven to bitterness by the misfortune. It is impossible to watch this movie without tears in your eyes, without pain gripping your heart, but it teaches us that while mutual assistance exists within the family of man there is hope that the globe will be saved from extinction.

Here is what eminent hematologist A.I. Vorobyev says in the movie: "I think that this accident will put an end to man's medieval thinking. There is an unambiguous conclusion to be drawn: Not only a nuclear war, but even any war between nuclear powers becmes unthinkable. Mankind must abandon the medieval mentality of imposing its will through brute strength. We have no other option because, if we were to bomb just nuclear power stations with ordinary warheads without nuclear charges, and just those in the Soviet Union, there would be no Europe left, there would be no North Africa left..."

BRIEFS

BOOK ON FEDORENKO TRIAL -- Kiev, 4 August (TASS) -- He used to drive the prisoners into gas chanbers with his rifle butt and whip; this Nazi punisher Fedor Fedorenko practically considered this his vocation. A book of reports from the trial of this war criminal, just published by the Politicheskaya Literatura Ukrainy publishing house, describes a sinister sadist. The book is published in Ukrainian and English. The Hitlerite destroyed 800 peaceful inhabitants in the Polish concentration camp of Treblinka. Fedor Fedorenko took an active and direct part in mass executions of Polish, Soviet, German, Austrian, Czech, Hungarian, Yugoslav, Bulgarian, Greek, French, Belgian, Dutch, Danish, Norwegian, British, and even U.S. citizens. The trial has sentenced the executioner to the extreme measure of punishment: shooting. The sentence was recently carried out. [Excerpt] [Moscow TASS International Service in Russian 1036 GMT 4 Aug 87 LD]

ACADEMICS, OFFICIALS DISCUSS ECONOMIC MANAGEMENT

LD102040 Moscow Television Service in Russian 1500 GMT 27 Jul 87

["Problems, Searches, Solutions" phone-in program presented by Lev Aleksandrovich Vosnesenskiy, with panelists Lev Aleksandrovich Voronin, deputy chairman of the USSR Council of Ministers and chairman of the USSR State Committee for Material and Technical Supply; Boris Ivanovich Gostev, USSR minister of finance; Ivan Ivanovich Gladkiy, chairman of the USSR State Committee for Labor and Social Problems; Valentin Sergeyevich Pavlov, chairman of the USSR State Committee for Prices; Leonid Ivanovich Abalkin, director of the Institute of the Economy of the USSR Academy of Sciences, corresponding member of the USSR Academy of Sciences; Boris Leontyevich Tolstykh, deputy chairman of the USSR Council of Ministers, chairman of the USSR State Committee for Science and Technology; Stefan Aramaisovich Sitaryan, first deputy chairman of the USSR State Planning Committee, corresponding member of the USSR Academy of Sciences]

[Text] [Voznesenskiy] Hello comrades, I invite you to join the latest program in the series "Problems, Searches, Solutions". Its subject is "Toward Economic Management Methods" -- management of our national economy. The idea of making the transfer from administration by instruction to economic methods of managing our economy is, perhaps, the central idea permeating the decisions of the party Central Committee June Plenum and the subsequent session of the USSR Supreme Soviet. Given the vast scale of our economy and -- as scientists say -- its great sluggishness; given the complexity of the modern economic situation and the need to resolve in the shortest possible time very complex scientific-technological, economic and social problems; and to do all this in the course of implementing the current 5-Year Plan, while not disrupting but accelerating its implementation; this transfer is a very, very difficult matter.

All the comrades present here are also members of the Commission for the Improvement of Management, Planning and the Economic Mechanism; and Lev Aleksandrovich Voronin and Stefan Armaisovich Sitaryan are also first deputy chairmen of the Commission. It is therefore not impossible that the questions and suggestions coming to the studio today will also be useful for the work of this body, which is very important under conditions of restructuring. In any event, comrades, I must tell you that all the telegrams that have arrived prior to transmission have already been given to our guests. The comrades have also been acquainted with the questions that came in on the editorial office telephone over 2 and one-half days, from various towns in the country. And questions are now coming in on the studio telephones too. And so it is time for us to move on directly to reply to them.

In this connection I would like to stress that the resolution of the June Plenum points out that we have entered the most crucial period of restructuring, the period of practical work. Well, the questions that are already in front of me are to a large extent questions put by those of us who practice management, who see in practice the sort of difficulties and problems that they encounter at the contemporary stage. And Miroslav Vladimirovich Andreyev, from Kiev -- he has introduced himself as an old production worker -- has sent us the following telephoned telegram: I warmly support the conversion to self-financing and full financial autonomy. It is high time to free from bureaucratic shackles and unfold our fully grown national economy. But -- again but -- will we be able to overcome ourselves, and at the same time fulfill a 5-Year Plan planned in the old way, in these few years begin working in a new way? What can those present on the program say on this subject? I think that we will return to this sort of question somehow or other, with everyone answering other, more frequent questions.

But since everything begins with planning in our economy, I shall grant the first word on this subject to Stefan Aramaisovich.

[Sitaryan] The main task today is to implement the decisions of the June Plenum. It is a matter of major transformations in the planning system, material and technical supplies, the fixing of prices. It is a matter of switching all enterprises belonging to the material production sectors to the principles of full financial autonomy and self-financing. It is clear that this task in its scale and nature is not a simple one. Its solution will require a certain period of time. We will experience, in a certain sense, a peculiar transitional period when the old will exist alongside the new. But the main task of this period is to expand with the maximum vigor the field of activity of the new, so that this process might acquire strength, and thus become irreversible. I think that the initial and cementing principle of all of this work is the transfer of enterprises to the principles of full financial autonomy and self-financing. This is the foundation on which the Law on the State Socialist Enterprise can function in full measure. Attaching enormous significance to this matter, the Central Committee and the USSR Council of Ministers have adopted special resolutions. It determines a schedule for the transfer of enterprises of sectors in the sphere of material production to the principles of financial autonomy and self-financing. This work is to be implemented, in practice, in the coming 2 years. In 1988 all enterprises of the machine-building complex, of the chemicals and timber complex, of ferrous and nonferrous metallurgy, and of the oil and gas industry will convert to these principles. To make a judgment on the volume of this work, it can be said that in 1988 approximately the number of enterprises accounting for around 60 percent of all industrial output will be working on the new principles. All enterprises in the transportation and communications sectors will also be switched to the new principles in the near future. This is the scale of work facing us at the present time. In 1989 we plan to complete the transfer of all enterprises and sectors to the new conditions. This is the first time that this sort of major action has been carried out. I would like to remind you that, when the 1965 reform was under way, this transfer was stretched out practically over a period of 10-15 years, and as a result the approach to this largely predetermined also the consequences of implementing those measures. The task is now being set to implement all of this in a short timespan. In this we see one of the important preconditions for the vigorous implementation of the new conditions of management. This work is being conducted under the overall guidance of the commission already mentioned. It is now completing its work, and in the near future special resolutions will be adopted by the Council of Ministers on each sector, with due account of their specific nature, and the center of gravity will thus shift from the ministries to the enterprises themselves, which must get the work fully under way. We can say something more about certain peculiarities, and, perhaps, difficulties of this transfer, as has rightly been pointed out -- that the transfer will be carried out on the march, in the conditions of the already-adopted and still-operating 12th 5-year plan. Here, of course, there is a very great deal of work to be done, so as, on the one hand to secure the successful fulfillment of the assignments of the 5-year plan and make fuller use of the possibilities of the new economic mechanism for the solution of these tasks, and on the other hand, to switch enterprises to the new conditions of management without losses. This, in brief, is the essence.

[Voznesenskiy] It seems to me that one of the thoughts expressed by Stefan Aramaisovich is very important. It is this, if I have understood this account: that the short timespan itself for the fulfillment of the decisions of the June Plenum and the Supreme Soviet session on switching the national economy to the principles of self-financing and financial autonomy is a factor which to a certain extent not only -- naturally -- accelerates this process, but also guarantees its implementation.

This thought seemed to me to be very topical, and I would like to single it out once again.

[Gostev] The other side of the matter consists in the fact that we have to carry out the transfer to new methods of management within the framework of the established 5-year plan. That is, it is not a matter of something being reviewed, or sometning being changed. We have to secure fulfillment of the 5-year plan, without altering its basic parameters. This is the difficult thing, that we have to switch on the march, change over while the 5-year plan is in progress, although many comrades at the moment don't understand this, they are counting on receiving something additional, that they will change something, correct the planned indicators -- this is not to be the case. We will switch over within the framework of the 5-year plan in operation. At the expense of what? At the expense of better work.

[Voznesenskiy] Well, Boris Ivanovich, I think that in the perfectly correct way you have put the matter, there is perhaps one factor worth developing: that as the work of every labor collective, every sector of the national economy improves, there will open up new economic possibilities for additional economic maneuver. That is, on the one hand, we must, as you have just rightly pointed out, orient ourselves toward unfailing fulfillment of the 5-year plan, as it has been fundamentally formed, and on the other hand, do everything possible and necessary so as, by means of improving work, to aspire to its overfulfillment.

[Gostev] The main point consists in the fact that, in overfulfilling the indicators of the 5-year plan, enterprises will receive additional resources, including financial resources, for the development of their funds, for housing construction, for the development of production facilities. So, this aspect is very important.

[Voznesenskiy] That is, all the same, fulfillment of the 5-year plan and restructuring will not only proceed parallel to one another, but also interweave with one another in the closest manner, enriching one another. Ivan Ivanovich, please.

[Gladkiy] (?I would just like to put it like this), that not only the enterprise by transferring, but all levels of management, in accordance with the law as a foundation of the economy, will transfer over to the new conditions.

[Voznesenskiy] The law on the enterprise...

[Gladkiy] On the enterprise. Moving to economic management methods from 1 January, 1988, i.e. at the level of the enterprise, ministries and departments and the central economic bodies, as well as the republican tier of management.

[Sitaryan] That is a fair remark, in as much as the transfer assumes not only the transfer of the operations of enterprises to the principle of full financial autonomy but also a radical change in the methods and functions today being put into practice by our central economic bodies, and ministries, and territorial bodies. These are mutually linked elements in what we call an integrated system. It is indisputable, the truth.

[Abalkin] Lev Aleksandrovich, I would like, perhaps, to stress this aspect of the matter: when we speak of the stage of practical, constructive actions having started now, it is important to attend to this thought -- the decision has already been adopted, practical actions start from the labor collective.

There is this very interesting experience: indeed, even before the law was passed, before it was brought into effect, many enterprises had already started electing directors, electing managers. It is very important nowadays not to wait for the arrival of some kind of command, some kind of instructions and so on. The decision has been made. Work has to be done this year, next year, and this practical activity encompasses all echelons of the operation of the central planning bodies, ministries and every labor collective, every team, indeed, it is here that attainment of this restructuring starts.

[Gostev] This is a most important aspect, now, when the plan for 1988 and the state budget for 1988 are now being drawn up and so, of course, you must not wait, expecting that for now we will work on the plan, and that we will then go over to the new methods, all this has to be done simultaneously.

[Voznesenskiy] Fine, now we've talked about this and everyone has got so actively involved in it, let's put yet another question before Stefan Aramaisovich, developing the one that has been asked. About the plan for 1988, i.e. the next, annual plan. Will it already take account to some extent of those elements of restructuring the economic mechanism that have been designated by the decisions of plenum and session?

[Sitaryan] I have to say that it will, to a great extent. Currently Gosplan is completing work on the draft plan for 1988, and during this work new approaches both to the structure of the plan itself and to its formulation were elaborated, proceeding from the demands today made of planning, first and foremost, in the law on the state socialist enterprise. For the first time, such an important category as orders from the state is being introduced into the plan system. This is a new element in planning. It includes the supply of the most important kinds of products that determine the balance of the national economy and ensure the solution of major social and economic tasks, the strengthening of the country's defense capability, and its economic independence. Of course, the first and main task faced by Gosplan is to specifically define the composition of this order. This matter turned out not to be simple, and we have been working it out very thoroughly for a long time, from all angles, to preserve these most important features in the plan. But this is a new matter and, of course, it will be refined in the future. However, I can illustrate what has already been done by now using the following figures: If the plan had been formulated according to the old structure and the old concept of scheduled products, without the new features today being brought into planning by the law on the state enterprise, it would have been necessary, say, to approve more than 11,000 indexes, that is, on the scheduled list. According to preliminary assessments, this range will include approximately 1,500 items at present. But, I would like to say, this is not the same thing. We are proceeding from the fact that subsequently, when we master this method, we will be moving more confidently and more vigorously toward having the general structure of the plan increasingly formulated on the basis of direct orders from consumers to enterprises. That is, state orders will taper off correspondingly within the plan and that part of them, which will be formulated independently by the enterprise itself, will be expanded. That, strictly speaking, is a real reflection of the process of democratization of planning.

[Voronin] Lev Aleksandrovich, I think, in my view, in discussing this matter, we cannot avoid saying that the most important thing here is the drawing up and quickest possible introduction of standards into our ministries and enterprises.

[Sitaryan] We are working on this now, I think that, if there's time left, or if the opportunity comes up, I'll say a couple of words about this.

[Voznesenskiy] I think we'll have to come back to this topic.

[Sitaryan] We'll come back, there are questions, first.

[Voznesenskiy] Yes, yes. Lev Alekseyevich. Zoya Vasilevna Zhelayev, a kolkhoz engineer from Diyevka, Kulikovskiy Rayon, Chernigov Oblast, has asked this question: It is commonly known that the majority of building materials are sought independently by collective farms. Are changes expected, and how long are outdated instructions and recommendations to put a brake on collective farm construction and push people to violate financial discipline? I think this question is topical not only for kolkhozes but also for many other enterprises, particularly those working in construction, specifically, by the so-called (?indirect) method.

[Voronin] Esteemed Zoya Vasilevna, I can answer with pleasure that the introduction of wholesale trade for building materials and technical products will remove those nuisances you speak of. Lev Aleksandrovich, if you'll allow me, I'll perhaps say a few more words about wholesale trade.

[Voznesenskiy] Yes. I hope that from your words Zoya Vasilevna will find out approximately when her life will become somewhat easier, in this respect.

[Voronin] In the new system of material and technical supply, the fundamental main trend is the introduction of wholesale trade for products for production and technical purposes, building materials, rolled metal and other kinds of products, in contrast to those restrictive methods that were at the root of the old system of material and technical supply. The introduction of wholesale trade has already started in 1987. From 1 January, 1987, the first 10,000 enterprises, scientific associations, a number of enterprises under the Ministry of Construction, Road and Municipal Machine Building and some organizations under nonproduction ministries have been working to the conditions of wholesale trade. It has to be said that we have considerable experience of working under the questions of wholesale trade: the Kuban agro-complex has been supplied for 2 years by wholesale trade, and I would like to say successfully, bearing in mind the good results of work, final results of work, by the Kuban agro-complex over these 2 years.

What does wholesale trade mean? Wholesale trade in production and technical items means supplying enterprises according to orders from them without financial ceilings and funds. First and foremost it reduces the time between the order and the supply of one kind of product or another to the enterprise.

It sharply reduces, several times over, by 4 to 6 times, the amount of documentation in circulation, increases the mobility of material resources, and, most importantly, makes the most of their stocks.

What, specifically, is planned for 1988? In 1988 it is envisaged to increase the volume of wholesale trade by more than 3.5 times, including starting wholesale trade in a range of building materials, electrotechnical products, instruments, industrial rubber items. It is being considered that all specialized clothing and footwear will only be supplied through wholesale trade. The USSR State Committee for Material and Technical Supply has developed a phased program for introducing wholesale trade. It provides for the introduction of wholesale trade for fundamental products over the next 4 or 5 years, so that in 1990 as much as R130,000 million worth of production and technical output is supplied through wholesale trade and in 1992, 75 to 80 percent of all production and technical items are supplied through wholesale trade, the construction ministries of Belorussia, Moldavia, Lithuania and Latvia are changing over. Well, I won't list them all, I'd just like to say once again that wholesale trade is becoming the main trend in the system of material and technical supply of the USSR State Committee for Material and Technical Supply. Of course, I must say that no everything is transferring to wholesale trade. A number of pieces of equipment with a long manufacturing cycle, some fuel and power resources, rolled metal, and a number of other products will continue to be funded by centralized supply on a planned basis, which is the state orders.

Well, Stefan Aramaisovich has said already that state orders will be reduced with the passage of time. Hence the volume of centralized supply will also be reduced and a further transfer to wholesale trade will be secured.

[Voznesenskiy] While you were telling us about that Viktor Aleksandrovich Parshin, an engineer, telephoned and asked us two questions. I'll read pieces of one of them: Will a unified statewide system for material and technical supply be created in the country, and will the cumbersome apparatus of management and supply be simplified in the industrial ministries and departments?

[Voronin] Viktor Aleksandrovich, you know today that, carrying out the decisions of the June plenum, the ministries and the USSR State Committee for Material and Technical Supply are working according to the new structure. This structure provides, first and foremost, for a reduction in costs in the process of material and technical supply, in duplication, the cutting of unnecessary bases and, of course, in a certain way there will be a certain change in the structure and apparatus of material and technical supply in industrial ministries. This year we will be, in the near future producing the new structure and it, of course, will ensure a better material and technical supply for our enterprises.

[Voznesenskiy] Thank you.

[Voznesenskiy] I have handed over a mass of questions to Boris Ivanovich Gostev. They have been asked for all sorts of reasons connected with the operation of the financial system, and so that we can reply to the main questions raised by our viewers, I would perhaps sum up many of them -- not all, but many of them -- in the following question: What is the essence of the restructuring of the financial system of the Soviet state?

[Gostev] Well indeed, our comrades have asked a great many questions about financial issues, and I would even say that this is a good thing -- that people are genuinely beginning to display greater interest in finances. That is indeed the case. The June plenum policy of radically restructuring the finance and credit system is a very important link in the whole refinement of our economic mechanism. In essence, that plenum policy means the development in contemporary conditions of the Leninist principles of administrating the country's finances. Particularly topical today are Lenin's ideas about all radical reforms being doomed to failure if we are not successful in our financial policy. For that reason, at the present stage of economic development, the party regards the radical reform of finances as one of the main factors for transfering the economy to an intensive development path.

To put it briefly, the essence of the finance and credit reform consists in: first, making finances a reliable means for implementing the party's economic strategy, and directing financial resources to radical structural transformations of the national economy, to tackling topical and urgent social tasks, and to ensuring the country's defense capacity. The mechanism of financial centralization will have to be refined and made more flexible, and we have to ensure that every ruble invested in the national economy gives tangible results; and second, with the aid of financial credit, normal conditions must be created for transferring enterprises to full financial autonomy and self-financing. The main means of tackling this problem consists in moving over to a normative method of distributing profits and income, under which a share of the profits or income is handed over to society for tackling state tasks while the remainder is fully at the disposal of the enterpirse for the purposes of the collective's economic and social development.

Now that I've spoken about the general principles of the restructuring of the financial system -- and I think there will probably be fore questions -- I would also like to reply to the more specific questions asked by our comrades. To all appearances, these have arisen for various reasons -- on the one hand, I've mentioned interest in finances and that finances are indeed of growing significance, both in the operation of the enterprise and in that of the entire national economy. At the same time, however, our comrades are probably displaying concern over what is going to happen, how finances are to be restructured, whether the population or specific citizens might suffer as a result of this -- there's a large group of such questions.

I would like to sum up some of the questions here and give an answer, put these important questions behind us immediately. For example. Comrade Morozov -- Pavel Petrovich -- a pensioner from Moscow, asks what specific measures have been taken over the past 2 years to reduce inflation and to raise the ruble's purchasing power, apart from the unbridled price rises on consumer goods and services. The newspaper ARGUMENTY I FAKTY writes -- indeed, the latest issue, No 27, does write -- that there is not point in further repaying loans. I don't think Comrade Morozov is quite correct in the way he interprets the article, however. This, he says, might allegedly simply cause a deterioration in the money in circulation among the population. It is well known that most bond holders are pensioners. Why is it considered correct to improve the economy at the expense of pensioners? Well, you are probably right to be concerned, and I shall reply in a minute. And then there's a very large group of questions. Indeed, we in the Ministry of Finances often now receive such pensions [as heard]: Is there a possibility of a monetary reform like that of 1947? Is it true that there is going to be a monetary reform? Will there be a rise in food prices, and if so, on which items? Will telephone charges be raised? -- and so on. People are raising questions that evidently worry them a great deal.

There is a group of questions here about whether there will be a third and concluding draw for redeeming 1952 loan certificates, and whether in general loan certificates previously offered for public subscription are to be redeemed. There are several such questions here.

Well, I shall try to generalize them somehow -- to begin with, in very broad terms. Our comrades are worried -- here and there elements of concern are showing through, as I mentioned -- over whether there will be a monetary reform in our country. I shall reply clearly and concisely by saying there is no need for one. Currently, the state of our country's economy and the stability of the money in circulation is a very complex and crucial one. Measures connected with changing the money in circulation in the country have been implemented in extreme cases. To remind you, these were the reform of 1922-24, when the national economy had to be reconstructed in the aftermath of the civil war and the intervention; and the monetary reform of 1947, which was geared to dealing with the aftermath of the Great Patriotic War. In the field of money in circulation the task arose of restoring the Soviet ruble's full value and easing the transfer from the rationing system to trading at unified state prices. Naturally, there are no such circumstances today.

At the same time, however, it must be stated frankly that the current economic situation in our country is completely different. Despite the stagnatory phenomena which took shape in the past, and which have been discussed at the party congress and Central Committee plenums, the economy is developing and shortcomings are being overcome. Of course, speaking objectively, there are difficulties with the money in circulation, and these are related to the fact that the population's purchasing demand is still not being met sufficiently, particularly the demand for individual goods. The population's income is greater than the supply of goods on offer. Here are some figures. At the end of the 1970's and 1980's the turnover of goods grew more slowly than the population's income. From 1981 to 1985, the turnover of goods grew by 16 percent, and the monetary wage fund by 18 percent. This naturally complicated the money in circulation. The party and government have now taken measures to raise the efficiency of our economy, to expand production of high-quality goods and to develop the services sector. All this makes it possible to achieve a better balance between the population's income and expenditures and on this basis ensure further strengthening of the money in circulation and the ruble's purchasing power. Another aspect of this is also important: We must strictly observe the planned ratios between wage increases and labor productivity growth, because the difference between these indices is, of course, the basis of the growth of socialist accumulations.

Finally, so as not to spend too long replying to these questions -- although I may have to return to them specifically -- I would like to talk about loans. This is a question which interests many people. Working people voluntarily subscribed to a loan, giving the state much-needed funds for the postwar reconstruction and development of the national economy. In effect, this was a nationwide patriotic movement by the Soviet people. Eleven loans were floated in the postwar period, with a total value of almost R26 billion. In April 1957, as you probably know -- members of the older generation know -- a suggestion was made and a decision taken to stop holding draws of loan certificates previously issued for public subscription. Their repayment was postponed to 1977 with a view to completing repayment in 1996. In fact, the repayment of those loans began earlier -- in 1974 -- and it has been carried out gradually as goods and financial resources have accumulated. The extent of these assets is determined annually in the national economical plan and the draft state budget. So far, the state has completely redeemed loan certificates issued from 1947 to 1951, and in part, those issued in 1952.

A total debt sum of R15 billion has been repaid, but there still remains a debt of approximately R11 billion including R1.4 billion on the loan floated in 1952. Appropriate funds are currently being sought in order to continue redeeming state loan certificates. The implementation of this idea, however, will largely depend on the way in which the Union Republic Council of Ministers, ministries and specific enterprises deal with the problem of expanding goods production and developing the service sector. The sooner and better we solve the task of increasing goods production and developing the service sector for the population, the faster we shall be able to repay state debts to the population.

As for a number of other questions, Lev Aleksandrovich, asked by our comrades, some of them are of a more specific nature and others more general. I shall try to come back to the more general ones if I have the opportunity, and we shall, comrades, give replies to the more specific ones.

[Sitaryan] I have another question here which is closely linked to the question of monetary circulation and currency reform.

[Voznesenskiy] Very briefly then!

[Sitaryan] I shall be very brief. I'd like to say that this is a problem with many aspects. The problem of improving monetary circulation must be pursued in a number of directions, which must be interlinked, well thought-out and properly considered. Above all, of course, there must be an increase in the production of goods of which we are experiencing a shortage. Above all, these are goods in the foodstuffs group. Second, there must be a steep improvement in the quality of output. Here is a question which we've just received, a fair question. Since 1 July the trade network has switched to full financial autonomy and self-financing. And Tamara Alekseyevna writes -- I should say, she has asked the question by telephone -- with full justification: How can they work on the basis of financial autonomy if they have goods on sale which are literally of poor qualtiy, they've piled up, these goods are not selling, and the warehouses are crammed full of them? And it is clear that exactingness with regard to quality must be greatly increased here. Of course, a factor of no small importance is the problem of price regulation in this process, incentive-creation, and so on. So this is of course a multifaceted problem, and one can scarcely seek a solution to this task in just curency reform, for instance.

[Abalkin] The trade network itself is now able to order goods and it is in large measure responsible for the range of goods it orders from light industry and for whether these goods gather dust on the shelves.

[Sitaryan] That is so, but the opportunities for making this choice that it has are so far inadequate.

[Abalkin] But since last year they have had the opportunity of ordering goods at trade fairs.

[Sitaryan] Well, the trade network sometimes takes what, one would think, it should not have taken. That is something one could talk about.

[Abalkin] Then let it not take those things.

[Voznesenskiy] It must do its job, it must engage in trading.

[Abalkin] But to be in the business of trading, you have to take what you can sell.

[Sitaryan] But that's no reason. That way you can justify everything under the sun. It is not the point. But in any case the trade network does not always have sufficient choice.

[Voznesenskiy] And that "small," in inverted commas, point shows no doubt that all the processes of improvement in the Soviet economy begin, and their foundations are laid, above all, in the sphere of production, the raising of the quality of output, production, the elimination of shortages, the manufacture of the range of goods needed by the consumer, irrespective of whether it is industrial consumption or our ordinary, everyday consumption, so to speak.

[Sitaryan] To ensure that this sphere can adapt flexibly, pressure from the consumer is needed.

[Voznesenskiy] Yes, consumer pressure above all.

[Sitaryan] Because otherwise it can develop through force of inertia.

[Abalkin] The (?dominant) role of production should not be turned into an absolute value, while allotting trade, finances and prices a passive role as a mere reflection of what is happening in production. These are also active levers for influencing events.

[Voznesenkiy] Of course, but at the same time the fundamental basis is to be found in the sphere of material production. I think that that what Stepan Aramaisovich has said, his reply to that question, prompts this quite elementary thought in us once again: That everything depends on what will happen, when it will happen and how it will happen, above all in the public-sector production system.

[Abalkin] It is not always legitimate to take general truths of economic science and political economy, turn them into absolutes and impose them directly in practice. You see, we are now opting for a method by which the consumer will define the order, and what is produced will to a large extent be determined by orders -- from the state, from material and technical supply bodies, or direct orders from consumers. We can regulate this through prices. So that there is a more complex, multifaceted process here, and all the factors need to be taken into account.

[Voznesenskiy] And that is why provision has been made for the functions of all levels of the economic mechanism, from the primary production level, the enterprise, to the highest bodies, represented here by the heads of these economic management bodies, for all of them to change, but simultaneously with changes in the production sphere. But I think that our viewers will understand us correctly by seeing both sides of this problem. Comrades, let us please keep our questions as brief as possible.

[Unidentified voice] Replies, you mean!

[Voznesenskiy] Excuse me, I mean replies. But in this instance there is a brief question too. It is for Ivan Ivanovich. It has come in from Yerevan, from engineer Stepan Ivanovich Grigoryan: The draft law on enterprises said that women and also non-party members should be promoted to management posts. The law itself did not reflect this. How do things stand on this?

[Gladkiy] Lev Aleksandrovich, here is what I'd like to say. Above all, of course, the law states first and foremost that the collective is self-managing. That is, there will be a system of elections for all managers, from team-leader to general director, and the right of the labor collective to elect either women or men is not reflected in our document. That is because any woman can be elected. So I think that if an individual demonstrates that he is capable of leading a collective and the collective entrusts this person with the job, then it could quite successfully turn out to be a woman.

[Voznesenskiy] Leonid Ivanovich, will a new political economy textbook be published incorporating changes for higher educational establishments? I would think that the economic education of personnel, including the use of a text-book, is of no small importance for the solution of the problems we are discussing here today.

[Abalkin] I should like to reply in two parts. A competition recently ended for a textbook for higher educational establishments, and the competition's panel of judges did not find it possible to award either first, second or third prize to any of the manuscripts which were submitted. To a large extent this is evidently connected with the fact that the groups of authors and scientists, and staff in higher education, proved unprepared for many modern ideas. Nevertheless, it was decided to publish one of the textbooks which received an incentive prize as a teaching manual by way of a stop-gap. At the same time it was decided to draw up standard basic textbooks, but I believe that it will take something of the order of 2 years between now and their eventual publication to prepare them. We must make wider use of the possibilities of our news media, our magazines and newspapers -- I mean EKONOMICHESKAYA GAZETA. The journal VOPROSY EKONOMIKI [QUESTIONS OF THE ECONOMY], our institute's journal, regularly publishes and will publish articles to help teachers and propaganda workers on topical questions of economic theory. The textbook issue is a more difficult one.

[Voznesenskiy] Boris Leontyevich, a very large number of questions have already come in -- I didn't have time to pass them on to you, because I didn't manage to look through them myself -- on the work of scientific-research institutes and design bureaus in present-day conditions.

One of these questions is from Yuriy Vasilyevich Lebedev, a senior scientific worker. How should cost-accounting relations be organized between industrial institutes and industrial enterprises in a situation where the enterprises are self-financing and the industrial institutes are on centralized financing? How will prices for new technological developments by these institutes be determined in future?

[Tolstykh] I must say that at the present time, or rather recently, the USSR State Committee for Science and Technology has become actively involved in what is a new function for it -- switching scientific institutions, research institutes and design bureaus to financial autonomy and financing [as heard]. A draft decision has already been submitted to the Council of Ministers on the transfer of research institutes and design bureaus which are part of scientific-production associations and production associations to the new system of working. The principles which have been enshrined and the objectives which are pursued to increase the effectiveness of scientific developments are similar to the decisions being adopted for industrial enterprises. At the present time we are completing a document -- which will be submitted to the Council of Ministers this month -- defining the principles for the transfer of independent research and design organizations which are not part of large bodies such as scientific-production and production associations. This material has been widely discussed and it will be in force this month.

One of the basic novelties envisaged when transferring research institutions to the new economic mechanism is that the financing of the upkeep of scientific organisations is being terminated. They are being switched to working to orders from enterprises, using these enterprises' own hard-earned funds. Thus exactingness with regard to the standard of development projects and to the timetable of such projects will rise. As far as prices are concerned, there is the factor of scientific and technological progress. After such factors as the raising of labor and technological discipline and putting things in order have been sorted out, the economic mechanism will now start operating, and subsequently the decisive factor of our social and economic development will more and more become the solution of problems through the latest achievements in science and technology. That is why the committee has now started analyzing and working out the next stages of perfecting the economic mechanism, at which the maximum extension of benefits deriving from the latest equipment and technology is envisaged. That is why in the system of prices that we intend to apply to marketable goods that are the result of scientific and technical development, the prices will be set by contract.

[Voznesenskiy] Valentin Sergeyevich, there is a large number of questions already passed on to you. Perhaps the majority, or at least a substantial proportion, relate to the upcoming reform in the pricing system, to use the technical term. What is the gist of it, what does it mean, and what is the direction of scientific and administrative thinking in this regard?

[Sitaryan] And what is the practical thinking?

[Voznesenskiy] Yes, practical, although administrative thought is also practical!

[Pavlov] Lev Aleksandrovich, I must say that there is a whole series of questions here, which can be split into three large groups. And from the point of view of the administrative side of the task, the first question is put in roughly the same terms by everyone, namely: Why, in fact, do we today need to carry out a mutually-linked restructuring of the whole pricing mechanism? In other words, why can't we make do with a partial improvement, why do we need a cardinal restructuring of wholesale, purchase and retail prices and tariffs? It really is a very important question, and I would say it is one of the fundamental issues of today's economic mechanism, the new economic mechanism to which we are switching, because prices represent, in my view, one of the most important components of this mechanism.

The fact of the matter is that today's price system was basically formed, its foundations were laid in practice in the mid-1950's. And the pricing system as an integral part of the economic mechanism was oriented toward and based on two very important component sources of the development of our national economy -- our mainly untapped natural resources, and a sufficient quantity of manpower which could be involved in production, thus expanding the volume of production. Thus the primary task that faced the economy was to increase volume. Today the economy has arrived at a point where we can no longer gear ourselves to these factors as the most important factors in the development of our economy. It is objectively necessary, as has already been stated in the decisions of our party, including the latest June plenum and Supreme Soviet session, to go over to intensive methods of management of the economy.

Judge for yourself, Lev Aleksandrovich. Take the year 1950, when we extracted 38 million tonnes of oil: Today we produce 617 million. We extracted a little over 5 billion cubic meters of gas: Today, the production rate is more than 700 [billion]. We extracted 40 million tonnes of iron ore: today we recover 247 [million]. Note that, as most economic planners know, all of these items are as a rule today to a large extent in short supply. A simple matter arises: Every further tonne of oil, gas or iron are extracted becomes dearer and dearer.

Thus in practice the economy has objectively arrived at a point where expansion of the volume of production makes our society not richer, but poorer. And it is because of this that we are today going over to intensive methods of managing the economy, on the basis of acceleration of scientific and technological progress. Meanwhile, the price system continues to be geared to the cheapness of natural resources and the cheapness of labor. And in today's conditions this cheapness becomes illusory: It is very relative, and is created artificially in large measure, through the pricing system. Despite the fact that we have carried out repeated reviews of both wholesale and purchase prices, and even to some extent retail prices, nevertheless the basis of pricing, its thrust, has remained. And it has been preserved primarily because of the fact that we have increasingly disrupted the interconnected nature of pricing as a unified, interlinked system. Today's pricing system has turned into, I would say, not a system, but something made up of individual blocks which do not fit in with each other, but are in practice tied together through a system of price differences and subsidies, financed by processes of redistribution, and in the main through the state budget.

Well, the viewers can judge for themselves whether such a system can, in conditions of a transition to intensive methods of managing the economy, be based on self-financing and self-recouping, when the profits of the economic unit are frequently determined by the supplier valuing his product and profit according to one set of higher prices, while the consumer makes entries in his accounts and determines his expenditure according to completely different, significantly lower prices.

Today, for instance, coal is marketed to the consumers at R12 per tonne, while it costs R18.40. A Niva combine is supplied to kolkhozes and sovkhozes for R6,100. Its cost, as assessed by Rostselmash, is R9,500. Phosphate mineral fertilizers are supplied to agriculture at R119, while mineral fertilizer enterprises put its cost at R260. The figures for potash fertilizers are R19 and R61 respectively. Grain crops purchased from kolkhozes and sovkhozes costs an average of R150, including allowances, discounts and additional payments, while grain reception combines enter it as R111 and for bread-making it goes out at this price. But what is more, I would put it like this. In the socialist countries, say, we buy up buses. We pay R48,000. They are given to the national economy, that is, the motor transport enterprises for R37,000. We get railway carriages for R28,500 and hand them over for R25,000; trolleybuses for R29,000 and hand them over for R24,000. High pressure resistant polythene R615 and R635 [unit of polythene not stated], and so forth.

[Voznesenskiy] Valentin Sergeyevich, I think you have convinced us.

[Albalkin] You've convinced all the viewers that this system has to be changed, it must be changed!

[Pavlov] ...And so forth. I can tell you, Leonid Ivanovich, that sooner or later quantity becomes a question of quality, you understand.

And the essence of the question today boils down to the fact that for these purposes, to adjust these differences, we spend one-fifth of the state's budget and approximately one-fourth of all the profits that remain in the economy. So then, in other words, approximately half of the profit is a sort of double-sided account, gross output. This is why this system simply cannot function in the new conditions. People should orient themselves on increasing their incomes. We are to build a system that will act as an incentive to the collective to increase its incomes. It turns out that, in order to turn those incomes into goods, we must seek somewhere else to cover the requirements for subsidies that arise.

[Abalkin] But the whole question is how to extricate oneself from this situation. People are waiting for (?an answer).

[Pavlov] That is why we are speaking today of the need for a radical restructuring of the pricing system. We have to construct an interlinked system which corresponds to the intensive methods of economic management. Here I think that the chief thing this system will be aimed at is the saving of resources, because as the basis for this system today we have to get rid of the illusion that natural resources and manpower come cheap. You can judge for yourselves if I give you these two figures. In this current 12th 5-Year Plan period we are to spend something in the order of R240 billion on development of the fuel and energy complex. From that figure, R70 billion has to be found somewhere from outside. Naturally that creates a distortion in the whole subsequent system of pricing and creates what is essentially a distorted picture. Our production costs today do not reflect more than one third of manpower costs. Essentially, we are not reacting at all to the ecology in our pricing system. It is this which makes a cardinal review of the pricing system essential. We think, therefore, that aside from the distortion in socially essential expenditure in various spheres of the economy, in the production and consumption of output respectively, there is arising also a second task that is in accordance with the new requirements: that of making the paramount thing not how much it costs to produce the output, but the consumer qualities of that output. Of course we realize that you can't fix a price to the consumer without taking into account the value of the goods and how much they cost to produce, but under the new conditions today the basis must be the consumer qualities of the goods. So the stage we are at today is that it is very important for us to establish the fundamental approaches which will enable us to increase the part played by consumer qualities in determining the price of products. What we are thinking today, for example taking mineral fertilizers, which I have already mentioned, is that in practice the price should probably be fixed not as a price per tonne of fertilizer as such, but as a price per unit of useful matter in the mineral fertilizer. Then there will be no sense in simply turning out as much as possible rather than producing more concentrated fertilizer. And it's the same with coal. Everyone knows that when coal is mined, the amount of rock extracted, as opposed to coal itself, unfortunately increases very quickly today. So what we have in mind is to fix the price of a gigacalorie, and then to fix the price of the fuel on that basis. That, then, is why an interlinked restructuring is essential, and what it means.

[Voznesenskiy] Valentin Sergeyevich, I'm sending you over another group of questions in the hope that you will have time to read them and reply to some of them, bearing in mind that we are already being criticized by our viewers, as usually happens. For example Comrade Prokhorevich, an engineer from Leningrad, called and said that we should give more specific answers to specific questions. Well, somehow today I don't really share that view from our caller, but nevertheless the point has been made. What you were saying, incidentally, gave an answer to questions which came in while you were speaking from Viktor Alekseyevich Ivanov, a serviceman from Solnechnyy-Nikolayevskiy, and student Sergey Nikolayevich Klyushnikov, who in fact asked about the basic principles of pricing in the new economic conditions.

[Sitaryan] Lev Aleksandrovich, I'd like to add a couple of words here.

[Voznesenskiy] OK.

[Sitaryan] I'd like to draw attention to one aspect of this problem. The problem of improving the pricing system today is dictated, in addition to the conditions that Valentin Sergeyevich mentioned, primarily by the switching of enterprises over to principles of full financial autonomy and self-financing. It is connected with the substantial expansion of the role played by the enterprise, and its place in, the planning of the national economy. We have to see clearly that using the old prices, the great variation in profitability and large distortions in prices, we will be unable to guide enterprises in correctly selecting the range of goods to produce. Under a system of full financial autonomy the problem of whether something is profitable or unprofitable does not disappear. On the contrary, in individual cases it may become acute. It is by means of prices that we have to create the criteria of profitability and nonprofitability that will be in the interests, not only of the enterprise, but also of society. So I would just like to say again that the acuteness of this problem is today connected in the closest possible way with the reality of the operation and activity of enterprises working under full financial autonomy. Without it we won't have full financial autonomy.

[Pavlov] Stefan Armaisovich, what I was trying to establish -- perhaps, of course, not very successfully -- was that the pricing system must operate as a true guide...

[Sitaryan, interrupting] That's the most imprtant thing.

[Pavlov] That's the most important thing, because today, under the system that I was just talking about, we are unable to provide a true guide for plan and economic decisions, even at the top level of management, when national economic plans are being drawn up on a global scale. So naturally, under these conditions, we would be setting each individual enterprise a task that is beyond it: that of having to bring its own specific results into line with some sort of subsidies and differentials that somebody at some time paid out somewhere else.

[Sitaryan] Yes.

[Pavlov] In other words the whole of our system of financial autonomy today turns out, to put it mildly, to be distorted.

[Voronin] Valentin Sergeyevich, excuse me, but I'd like to touch on one other question of prices, and that is the way they can act as a brake on expenditure, particularly from the pont of view of economizing on materials, for example, metal and chemicals. You know how important that is today.

[Pavlov] I know, Lev Alekseyevich. But there is something else I know, and that is that in general the pricing system and prices themselves as such are not the universal keys, so to speak, to understanding and solving all questions. When Boris Ivanovich was discussing the questions raised earlier by viewers, I think he was very correct when he remarked that you really can't count on finances, for example, or prices immediately solving all problems. They create the conditions for solving those problems. In other words, they create conditions so that when enterprises work in the direction that is needed, then the national economy will get richer, and people will get richer along with it.

[Voznesenskiy] Valentin Sergeyvich, perhaps we should agree on the point that neither finances, nor prices in themselves, even in some sort of linkage with other economic methods and lever -- none of those things individually is in itself the key to solving all the problems in this respect. On that I am in absolute agreement with you. But could I add that without such a key, a key of pricing, a key of financial autonomy, and so on and so forth, we will still be unable to open this door, so to speak, to the new economy. That door is opened by a multitude of keys, each of which has to be present. Do you agree?

[Pavlov] I support you 100 percent, and what I would say is this: The task we have to solve today is to put together individual blocks to make a working system they don't contradict one another.

[Voznesenskiy] That's absolutely right. The same integrated system that the June plenum adopted and the decision by the Supreme Soviet session.

[Pavlov] But speaking of pricing, in the same way as what Boris Ivanovich had to say about finances -- I simply thought that perhaps there was no need for me to touch on this subject because it's self-evident -- I support 100 percent the idea expressed by many people, that the key to this is that something will be revised now and that we will start operating under that beginning right from next year. The feeling that we have in the Prices Committee on this is quite clear and specific. In particular, for example, here is one specific question that certain comrades have raised about the prices of fruit juices that are said to have increased in Moscow from 1 July. The essence of it is that we did receive a request, together with many others, that was formulated roughly as follows: From such-and-such a date we are switching our enterprises over to self-financing and self-recouping; our profits, however, are not large enough, so please allow us to increase our prices. This, among others, was the request we had from the Moscow public catering system, to allow them to increase their markups. What I have to say is that we did not increase the prices of any juices from 1 July, so I don't think these comrades here have formulated their questions clearly enough, to put it bluntly. The essence of it is that the Moscow people, having come up with a good initiative to make everyone sell juices, including the public catering establishments, failed to take one small detail into account -- that all public catering establishments have their own markups, and when they sell cold drinks, for example Borzhomi mineral water, it's no surprise to anyone that it's more expensive in a restaurant or a cafe than in the shops. And when they're sold on stalls in the street, the people put their own markups on them based on their own ideas of what the value of these cold drinks is. Excuse me for saying it, but the question should have been solved beforehand, based on the standpoint that street sales should be conducted on the same footing as fixed-point outlets. This problem has now been corrected, and incidentally the Prices Committee has in fact almost doubled the trade discount given to enterprises carrying on this off-premises trade. So the remarks by certain people in this section that the business is unprofitable are, I think, also unfounded.

[Voznesenskiy] Comrades, we are getting an enormous number of questions today -- very interesting, important and acute ones -- so what I think we should now do is go over to something slightly different. I have distributed to almost all of you all the qeustions addressed to you, and would ask you now to start selecting out of them the most important, substantial, acute and interesting questions that you think should definitely be answered during our program. And while you are doing that analysis, I will put a mini-question to Leonid Ivanovich on behalf of Vladimir Konstantinovich Porshin from Sverdlovsk. He called while we were speaking and asked: When the people taking part in the programme speak about financial autonomy, why do they also add the word self-financing? Is not self-financing one of the principles of financial autonomy?

[Abalkin] That's a very interesting question, and it has to be divided into two parts. We can approach it from the standpoint of general theory. Of course full financial autonomy is unthinkable without there being included in it major features such as full self-recouping and self-financing. In this strictly theoretical sense, full financial autonomy has self-financing as an integral element. There are, however, both practical and even, I would say, political aims in it. We first started speaking about full financial autonomy a little over 20 years ago. The formulas for it appeared in the mid-sixties. To a large extent they have been eroded and the acuteness which with they are sensed has become blunted. Today we are including in its content a fundamentally new point: the financing by one's own revenues plus bank credit of not only all current economic activity, but reconstruction work, retooling and development. Today the age of scientific and technological reconstruction is one of the key problems, and to accent attention to it and stress its importance is to pursue the aims of this formula -- the formula of full financial autonomy and self-financing as its indispensable element. That is how I would briefly reply to that question.

[Voznesenskiy] Ivan Ivanovich, over to you.

[Gladkiy] I have to say, Lev Aleksandrovich, that I've got a lot of questions here. To divide them into subjects, first there's wages and financial autonomy and self-financing; then a great number of questions on simply wages alone; a great number of questions on pensions; a category of questions as to when and in what areas regional wages coefficients will be introduced, wages for a certain category of workers, and so forth. So there are a lot of questions, and they can't even be assembled together so as to give an extended answer. For example, Semenova, head of the planning department of a Moscow trust, asks on the telephone: According to the basic provisions for radically restructuring the economy adopted at the June plenum, two models of full financial autonomy are proposed. I am interested in the collective contracting model. according to which there is created a unified wages fund. Under this model, are the workers' wages no longer calculated on the basis of the existing time norms and job price rates? Is it possible right now, at a time of preparation to go over to this model, to switch over to it? What shall I say?

First of all, the labor collective of course chooses the model that it needs to go over to, but with the permission of its superior organization so that there is some sort of uniform approach to the switch-over and so that the corresponding analyses can be made. That's the first thing. Second, the law on the enterprise allows a unified wages fund to be set up, and that is up to the labor collective itself. As to whether the time norms and job price rates have to be taken into account or not, I think that at the current stage it is still too early to depart from the time norms and job price rates, because we still have to take into account the worker's qualifications, the time norms and job price rates when determining his labor contribution. And is it possible, at a time when we are preparing to go over to this model, to switch over to it right now? Of course it is possible, if the labor collective is ready for it.

A second question comes from Boris Naumovich Reznik in Mytishchi, who asks: We have wage rates per ruble of construction and assembly work done for all of us, including the chiefs and office workers. At the same time they have set a limit for the maximum allocations to the wages fund for the management apparatus. Is this correct? Because of this we are unable to go over to the new rates and salaries.

What answer can I give, Boris Naumovich? First of all, in accordance with what has now been established this is correct, in accordance with existing provisions and decisions. But in accordance with the law on the enterprise, association and organization, a general earnings fund is established, a standard general wages fund, and within the limits of this the enterprise itself determines the standard rates of pay and this includes those of management and office staff and specialists. This matter has therefore been put into the hands of the labor collective for it to decide.

We have received a letter. The writer does not even give the region where he lives: The fact is that our works have gone over to self-financing and self-recouping and a situation has arisen where the worker has lost from 50 to 80 rubles in pay. They have stopped paying us bonuses but the administration gets bonuses. How is one to understand this?

I think it's very sad that there's no surname and no region, it could have been sorted out, but that kind of situation cannot happen. They have either prepared themselves badly or...

[Unidentified voice, interrupting] That sort of thing shouldn't happen.

[Gladkiy] That sort of thing certainly shouldn't happen. How can it be that the workers lose pay and the administration -- when the plan isn't being fulfilled, no doubt -- receive bonuses. The bonuses of the management workers is now linked directly to the main economic activity. If this comrade is listening to us it wouldn't be a bad idea if he gave us a ring, we will preserve your anonymity, but do tell us the name of this enterprise where you work so that we can sort things out.

Viktor Aleksandrovich (Strosskiy) from Kramatorsk asks the following question -- I am not going to read out the whole of it: Has not the need for scientific organization of labor centers fallen off now? What is going to happen to the scientific organization of labor centers in the future, and so on? I have to say that in accordance with the decisions of the June plenum -- and the report given by Mikhail Sergeyevich Gorbachev at the June plenum contained some very serious criticism of present day organization of labor as a whole -- it was said that the present level of labor organization belongs to yesterday. The decision of the Central Committee, the Council of Ministers, and the AUCCTU on strengthening work on implementing a strong social policy and the role of the State Committee for Labor and Social Problems provides for the scientific organization of labor centers to be turned into scientific research institutes and organizations with a view to their carrying out research and planning work and simultaneously introducing it upon a basis of complete financial autonomy.

And the last question here comes from Yakov Yakovlevich (Prandefilov) from Moscow, and he asks whether it isn't necessary to bring back everywhere the institution of work rate-setters and -- the main thing -- to introduce an unlimited piece-work system for labor payment and so on.

Well, as far as the institution of rate-setters is concerned, Yakov Yakovlevich puts the question quite correctly, bearing in mind the fact that we really are going over to financial autonomy, self-financing, and we have to deal seriously with setting labor rates and implementing this in accordance with current requirements. At this point I would like to end my replies to this section of questions.

[Voznesenskiy] Thank you, Ivan Ivanovich. Lev Alekseyevich, please go ahead.

[Voronin] A number of private questions. Oleg Viktorovich (Parkhomenko), a doctor from Lyubertsy, asks when it will be possible to carry out direct-labor building work without having recourse to the violation of financial discipline. Well there must be never be violation of financial discipline, never, and I would reply briefly as follows: The whole direct-labor method will be put onto wholesale trade, both as far as centralized capital investment and as far as development fund work is concerned: With development fund work this is already virtually put onto wholesale trade today, and the centralized investment will be from 1 January 1989.

Nina Aleksandrovna (Naumova) asks a question about wholesale trade in aluminum strip. Esteemed Nina Aleksandrovna, we are not going to put aluminum strip into the wholesale trade system in 1988.

A number of comrades -- Mariya Petrovna (Golynskaya) and Rashid Mikhaylovich (Karimov) ask questions about further improvements to the directorate for material and technical supplies in the Russian Federation. A decision has been taken that the RSFSR State Committee for Material and Technical Supply will, from 1 January 1988, be responsible in two directions: in one to the RSFSR Council of Ministers, in the other to the USSR State Committee for Material and Technical Supply. In connection with this our territorial directorates of the USSR State Committee for Material and Technical Supply are present in the oblasts as, too, are the oblast directorates of the RSFSR State Committee for Material and Technical Supply. As a first stage it is intended that these shall be strictly specialized and that their supply functions shall be removed where they duplicate each other, thereby speeding up supply work and making it easier.

I have received a number of questions from comrades about the utilization of secondary resources. These are very interesting questions. The questions are very correct. Nikolay Yakovlevich (Napreyev), then Olga Vyacheslavna (Lichenkova), ask some of them. To be very brief, then. First a program has been drawn up by the State Planning Committee, the State Committee for Material and Technical Supply and the Committee on Science and Technology to improve the utilization of recycled resources in the 12th 5-Year Plan and up to the year 2000. There are at present shortcomings in this matter inasmuch as our processing sectors are insufficiently developing their capacities for the recycling of secondary resources. Specific measures have been worked out. In the 12th 5-Year Plan period it is planned to put into operation over 20 enterprises for the recycling of worn-out tires. There will be a sharp increase in the capacities to recycle polymers. Seven new factories will be built within the system of the State Committee for Material and Technical Supply for the recycling of wastepaper. A very important reserve for improving the collection and recycling of secondary resources are cooperatives for the collection and recycling of secondary resources. At present there are 630 such cooperatives within the system of the State Committee for Material and Technical Supply. They are functioning very successfully. And here is a big request: Do set up these cooperatives as vigorously as you can and join them. And I have received a considerable number of private questions, comrades, dealing with individual points about deliveries, supplies of component parts, individual questions about failures to deliver: Permit us to do something and answer this with specific action. We will give firm instructions and will check so that all your requests are carried out with proper speed.

[Voznesenskiy] I have to ask two questions on behalf of 14 of my colleagues, USSR Gosteleradio, and APN journalists. Here I have their names and telephone numbers. The first question is to Comrade Sitaryan and Comrade Abalkin, but perhaps just one of you will answer the question. The Ministry of Finance is the main engine for implementing the finance and credit system. Would it not be expedient to merge the Ministry of Finance and the State Committee of Prices, inasmuch as prices are one of the main instruments of the finance and credit mechanism?

[Sitaryan] Those who have written this letter have obviously been very tactful in not addressing this question to Boris and to Pavlov, taking the view that we will be more objective in our answers. Well, from my viewpoint it would not be expedient to do so. Although these bodies in the essence of their work are very closely interrelated and have very much in common, raising the issue of amalgamating these two bodies, at least at this stage of our development, would nevertheless not be expedient and we should hardly obtain anything more from this than what we can expect from these bodies operating as individual bodies.

[Voznesenskiy] A further point here, no doubt, is that each of these organizations or bodies, if you like, is at this moment faced as never before with absolutely enormous tasks, tasks which are extremely complicated and extremely difficult as far as their theoretical elaboration and their practical implementation are concerned. But obviously like will show as we go on.

[Abalkin] Lev Aleksandrovich

[Voznesenskiy] Yes.

[Abalkin] There is a further aspect of this issue which Stepan Aramaisovich probably found it awkward to speak about. I think that at the same time -- I'll say why -- there is still the very large question of the extent to which actions are coordinated, so that everything in our country -- finance, prices, the activites of the banks, the planning of science and technology, the supply system, and questions of labor and social development -- so that all this operates as a unified complex and system and that the USSR State Planning Committee stands at the head of all this, as the leader.

[Sitaryan] Well it's not awkward for me to answer this. In accordance with the decisions of the Central Committee and the Government there is henceforth to be set up what is called an Economic Council. The chairman of the council will be the chairman of the State Planning Committee and the council will also include the chairman of the State Committee for Material and Technical Supply; the chairman of the State Committee for Science and Technology; the minister of finance; the chairman of the State Committee on Prices; the chairman of the Committee on Labor; the chairman of the State Committee for Statistics -- which is the new title of the Central Statistics Directorate, and the chairman of the State Bank. This body will meet precisely those requirements that Leonid Ivanovich mentioned. I think that it is a correct body and it is important that right from the outset it should begin to operate efficiently and purposefully.

[Voznesenskiy] And it seems to me that Valentin Sergeyevich Pavlov will take part in this work not only by virtue of his state status, but by virtue of his public status, for he is chairman of the All-Union Scientific Economy Society.

I have deliberately mentioned that point, Valentin Sergeyevich, because we have quite a lot of questions -- and I have passed them over to Leonid Ivanovich -- in which comrades complain that their thoughts and ways of accelerating it and so on do not always receive public recognition, although they think -- and no doubt in many cases they are right -- that these ideas do have some social significance. I think that Leonid Ivanovich Abalkin, as a representative of the Academy of Sciences and the director of an institute and Valentin Sergeyevich Pavlov, as chairman of the All-Union Scientific Economy Society, will encourage the gradual incorporation of everything reasonable that is contained in these ideas in the theory of restructuring, and, what is most important, in its practice.

And now the second question that I promised to read out on behalf of my colleagues. It is a small one and I would like you to answer it briefly if that's possible: Why are accommodation charges in hotels being raised for those on duty trips and why isn't this being compensated for simultaneously through increased travel expenses? When can we expect the daily and the final rates to correspond to the cost of a room and meals?

[Gostev] One does indeed have to say that literally in the past few days prices have been raised for accommodation in Class Three hotels, shall we call them, hotels in the third and fourth categories, and the comrades are no doubt right in principle in raising the question. But I am able to say for the information of the comrades that the Ministry of Finance, acting on the instructions of the government and jointly with other organizations, has prepared proposals for a revision of the entire procedure regarding duty travel. That is to say it is intended to give broader rights to enterprises and organizations and to the leaders of enterprises and organizations to send people on assignments and these specific questions will also be examined there.

[Pavlov] This question is being raised along with the travel expenses, and the latest increase fits in absolutely with the limit.

[Gostev] Yes, it covers it, it is completely within the limit. And so this question to some extent is a correct one, perhaps it wasn't announced in the spirit of glasnost, though of course on the other hand it does not affect the interests of the person on the duty trip.

[Pavlov] We both took this decision in February.

[Gostev] That's quite right.

[Voznesenskiy] Boris Ivanovich, if you will excuse me I will now hand over to Boris Leontyevich -- for a long time now he's been maintaining creative silence here. Please go ahead, Boris Leontyevich.

[Tolstykh] I haven't managed to read it all.

[Voznesenskiy] He's been working creatively, but we haven't had any return yet for the program.

[Tolstykh] Comrade Nikolay Petrovich Laptyev, an economist from Karaganda, asks: We all understand that in a certain period, hopefully a comparatively short period, the restructuring in the economy should lead to a considerable growth in the standard of living of the people. Success in the restructuring of the economy depends to a decisive extent on stepping up the scientific and technological progress in all sectors of the economy. But the impression is being created that we do not have the bodies in this country to ensure that the right conditions exist, economic conditions for rapid development -- and not for a stunted existence of progress in science and technology -- that nobody is seriously bothering about the economics of scientific and technical progress and no one is taking responsibility for this aspect of the problem of paramount importance, which is the key to solving everything else. Will the Committee for Science and Technology tackle it and how seriously, will it make it the basis on which its activity is founded?

I have read the whole of this long question because this question is a fundamental one and, as I have already said before, the State Committee for Science and Technology has acquired the vitally important function of elaborating and perfecting the economic mechanisms for working out and managing -- for carrying out development projects and managing the whole of scientific and technological progress. Such an extensive program is to be carried out this year, as I have mentioned before, for experimental design bureaus institutes which are part of associations, independent ones, for small firms, for science at institutions of higher education. So, that is indeed being taken seriously, and for a long time to come.

Comrades Vyacheslav Kirillovich Ryabchenok and Nikolay Grigoryevich Malunov asks: Today a comprehensive forecast is being worked out by our institute for the development of fisheries up to the year 2015, as well as development projects in scientific and technical information. They are all financed by economic results. Who will finance such schemes from 1988 onwards? How can incentives be provided for people working on these subjects? The development schemes will be financed either to order, but since the forecast extends to the year 2015, it is hardly likely that production enterprises will be found to finance this project. For this a variant for financing such projects is envisaged from centralized funds for developing production, science and technology, and from the ministry. And the incentives for people working on the schemes will be provided for from the profits or incomes in an established manner if the work is carried out within the term designated and is of a high standard.

Comrade Ponomarev, a mechanic, asks: Will the Committee for Inventions become part of the Committee for Science and Technology? A few days ago it did indeed become part of the committee.

[Voznesenskiy] There is yet another question: What will thereby -- with what rights will it become part of the committee, what will be its function there?

[Tolstykh] Its rights will be those of being a structural subdivision.

Well, let's get to the end. I have not managed to read it all yet. We'll answer in a minute.

Vadim Anatolyevich Kharak Sheyevskiy head of the scientific and technical department at the scientific-production association of the Giproprivod All-Union Scientific Research Institute: "In some 25 to 30 percent of the subjects being tackled by the industrial institutes they are burdened with functions that should be dealt with by the principal head organizations and questions concerning an industrial sector in general, including questions of setting standards, forming prices, coordination of scientific-research work [words indistinct] and so forth. Currently, this work is being financed by a single fund for the development of science and technology. In the conditions of going over to self-financing, financial autonomy, what mechanisms for financing them are planned?"

In conditions of switching to self-financing and financial autonomy, mechanisms of financing by orders from interested enterprises will also be applied, but the main source of financing work on standardization, on information, will be a centralized fund for the development of production, science and technology. But here a question arises. The analysis that we are conducting at the moment shows that in many such scientific research institutions there is a heightened growth in the volume of expenditure and outlays on work of a research nature like that, not directly connected with the creation of models of new equipment, new technology.

Therefore, in order to remedy this improper state of affairs, several options and proposals have now practically been drawn up, which are to be adopted, it seems, in the current month, in order to impose limitations. Work geared to the direct development of new equipment, technology and materials must of course take precedence over such work.

How will workers of research institutes and design bureaus be allotted bonuses for the development of new equipment if incentive markups on wholesale prices for industrial articles have been dropped? The brief answer is that it will be done through profits by the application of contract prices, as we discussed earlier. Incidentally, incentive mark-ups have not yet been dropped, but the source of allocation of bonuses by this method has been dropped, of course. Thus the new mechanism provides for contract prices, whose level and additional funds will depend on the achieved economic effect, and, most important of all, the technical level of the articles. Deductions for depreciation for research institutes and design bureaus are fixed in a draft decision which is to be submitted to the Council of Ministers in the next few days.

Comrade Tamara Sergeyevna Itutyunnik, chief of a patents department, and Irina Borisovna Dubnitskaya, learned secretary of the Institute of General Inorganic Chemistry, ask what the specified criteria are for assessing scientific research projects -- whether they are above, or below or on a par with world levels. What is the procedure for establishing this? What are the current legislative documents? Well, there are such documents. They are currently used by enterprises when they carry out certification of output, for instance -- when this level has to be established. This is issued by the USSR State Committee for Standards and State Committee for Science and Technology. Our questioners go on to note that under a provision, a decision, adopted by the USSR State Planning Committee and the State Committee for Science and Technology, it is not clear to them how the documents which are available can be used to provide incentives for work in research, design and technology organizations. We are prepared immediately -- literally tomorrow -- to provide clarifications of this and to give details of all the material, but I should like to stress something else.

Generally speaking, the questioners are in principle quite right to ask this. In connection with the serious issue of creating goods that can hold their own on the foreign market and steeply increasing the standard of the most important types of output, as formulated by the Central Committee of our party and the government, in connection with our high and demanding targets, we need to review our whole set of methods for assessing technical standards. Material for this has already been picked and collected and this is a major factor. And, by and large, I think that this year the Committee for Science and Technology will deliver itself of such decisions. And for the time being the documents which already exist can be used, and we are ready to give immediate clarifications to our questioners.

[Voznesenskiy] Boris Leontyevich, I regret to say...

[Tolstykh, interrupting] But I have lots more questions!

[Voznesenskiy] Ha ha! Well, it's splendid that there are so many questions, and it is a very good thing that there are so many questions for your committee. It shows the size of the problems facing the committee and how many difficult problems you are going to have to tackle. But we must be realists in everything, including the time we have at our disposal. So please put the replies to these questions to one side for the time being, and at the end of the program let us think together of how to respond to them.

[Tolstykh] Well, first of all, Lev Aleksandrovich, if you aren't going to let me speak, I can promise, where I have got precise addresses, to reply to the questioners quite specifically. Whether they like my replies or not is quite another matter! But I promise to provide replies within a reasonable space of time.

[Voznesenskiy] That's fine then.

[Tolstykh] Alright?

[Voznesenskiy] Fine, fine. That is a contribution to the impending close of the program!

[Tolstykh] Of course it would be better to reply here and now.

[Voznesenskiy] Leonid Tvanovich, can we set a record for brevity and reply to three or four questions in 3 or 4 minutes? The first one is from Ivan Pavlovich Sergeyev, a metal worker who makes gauges: Very little is said about self-management. Is this really being implemented or are they just words?

[Abalkin] Before answering, I'd like to start with some people who rang in a little earlier, but I shall come back to that one in a moment.

[Voznesenskiy] Fine.

[Abalkin] Lyudmila Fedorovna Zhetkova, a cadre engineer from Dubna in Moscow Oblast, has asked a very big question about the interconnection between Marxist-Leninist theory and social practice, about what restructuring has contributed to the development of social science and what social science has contributed to restructuring.

Speaking broadly and fundamentally, the present restructuring -- complex, radical, and revolutionary in scale and spirit -- is based on the fundamental theses of Marxist-Leninist theory, on its concept of property, of the nature of the development of our society as a society built upon the initiative and creativity of the masses, on its concept of public property, financial autonomy and the planned management of the economy. Of course, it has to be said, with bitterness, that there have been in history quite long periods of stagnation in social thought, a marking of time and sometimes the abuse of quotations to the detriment of real practical experience. We are now observing a revival in everthing, including this. I think restructuring would not be possible without substantial theoretical advances. On the whole, I think the present restructuring is, all in all, the road along which we have been travelling since October 1917. The restructuring is a continuation, at a new stage, under new conditions, domestic, international, social, political and cultural conditions, but it is a continuation of the very same cause, a movement toward the very same goals and ideals, with the very same elevated principles of leadership. So when, say, Oleg Ivanovich Kovalev from Gorkiy asks about joint firms belonging to Soviet and capitalist countries: There should be some kind of autonomy, independence, shouldn't there? They have combated the Soviet Union economically for 70 years, and now, it seems, they are going to help us to build socialism! But this question did not arise today. It was posed by Lenin in the most difficult circumstances, and if we are prepared to obtain from them, and can obtain from them, something in the field of equipment and technology, and finance for the measures we are adopting, we must take it.

[Voznesenskiy] But on a mutually-beneficial basis!

[Abalkin] On mutually-beneficial conditions. We will never forego our independence under any circumstances, but autonomy in the sense of isolation from the world today simply cannot exist. Sergey Borisovich (Tankevich) has sent in a very interesting question about what account is taken of the historical experience of our country in the 1920's, 1950's, and 1960's and that of foreign countries: Poland, Hungary, Czechoslovakia, Bulgaria, and China. During the process of preparing for this restructuring, we made a most careful study of the lessons of the road we have travelled -- the January plenum, the June plenum, a brilliant analysis of our lessons, achievements, and mistakes -- and also the experience of all countries: We study their pros and cons and learn from them.

There is a special question from Apollon Nikolayevich Konovalov, a propaganda worker who took part in the war, who asks about the Yugoslav model: Aren't the same tribulations and negative consequences that were a feature of the theory and practice of the operation of the Yugoslav system awaiting us, too? There is nothing in common between the system we are planning to put into practice in our country and the Yugoslav model. The Yugoslav model is built on rejecting a unified state plan for running the economy and not giving enterprises any targets at all. We are not going along that path. We are trying to find the complex and dialectically contradictory mechanism of combining a centralized plan with the broadest possible independence and initiative.

Now we come to the question that you gave me, from Ivan Pavlovich Sergeyev, a gauge maker from Moscow: There is little talk of real self-management. Is it really being put into practice, or is it just words? Well, we're not starting self-management from zero. Our system is fundamentally based on self-management by the people. It's another matter that the system has often found itself over-bureaucratized and that collectives have frequently been cut off from the process of taking management decisions by a mass of instructions, regulations, and centralized targets.

But, I repeat, we are not starting from zero, and people mustn't think that up to now, up to 1987, there was no self-management for 70 years and that it will start only in the 71st. It is our line. But we are now going further in our concepts. We want to make the labor collective the real boss, a zealous, thrifty and responsible boss, and to make them feel not only the joy, but also the difficulties of self-management. It's no toy: It's a very serious and responsible business. I think that we're progressing, and there is already actual experience, which many things attest to today, starting with the election system, how the income of collectives is determined and distribution according to the work done. However, it can be said that we are only at the very outset, the very outset. There is a great deal yet to be done and a great deal of things to overcome.

[Voznesenskiy] Boris Ivanovich, 2 minutes for the question.

[Gostev] Well, all I can say is that [words indistinct] cope because there are far more questions than there is time available to answer them. Nevertheless, there are some I will answer because I think they are of fundamental importance. Some comrades ask for specific replies to the questions, while others ask general questions. Probably we need both, so we probably have to find a sensible combination. For example, there are questions like this, which I think are very important. Vitaliy Viktorovich Semenov asks Comrade Gostev for some further information: I listened to a BBC program that specifically said that in February there would be a monetary reform in our country and gave all the conditions of it. But you said there would be no monetary reform. Well, what can I say? I didn't hear the BBC but the fact that there would be no monetary reform in our country, that I did tell you. Then here there is a whole group of questions that have come in, all, for some reason, on monetary reform, devaluation of the ruble, and so on. Well, I think I have said quite clearly that there is of course no need to worry about this, and there's probably no need to debate these matters excessively. But there are also some, what I would call, quite irate questions in response to what the viewers have heard. This question, for example: Where is the glasnost if Finance Minister Comrade Gostev doesn't want to answer a question worrying the people: Whether food prices are going to be raised? That is the question from Comrade Yevgeniy Mikhaylovich Migunov. Well, Yevgeniy Mikhaylovich, what I can tell you is that this was spoken about clearly in the documents of the June plenum and in the report by Comrade Mikhail Sergeyevich Gorbachev, and I simply can't add anything else to what was said there. What it said there was that the interests of the people would be put first. What could be said more clearly? Some groups of the population will even benefit from it -- that's in the future, when there is a reform of retail prices. Then there's a question from Viktoriya Ivanovna Shelestinka who asks about repaying loans. Well, perhaps I wasn't clear in what I said, so I'll say again that the liquidation of state loans floated earlier by public subscription will continue. She also asks whether it wouldn't be better to pay off these loans faster, rather than get involved in the restoration of churches and other overindulgences. We will probably be looking for the funds to repay loan bonds and loans raised by public subscription as a priority. It's another matter that...

[Abalkin, interrupting] But of course that's not at the expense of the restoration of cultural monuments. That's something else that many people are writing and speaking about.

[Gostev] Yes, there's no need for it to be done at the expense of that. We will continue to restore cultural monuments, and in general, the country will develop in all dimensions and all areas. There is a very great number of specific questions concerning, for example: how to get rid of loss-making; the improvement of banking operations, which should evidently be a separate subject; the restructuring of the banks; better economic management; the improvement of the control checking system, particularly as control, it must be said, is going to stay with us -- no one intends to abolish it, and it will be restructured. So there are a great many other interesting questions, and we probably can't reply to all of them today.

[Voznesenskiy] Valentin Sergeyevich, a few words to conclude your part of the program.

[Pavlov] Lev Aleksandrovich, I know what you mean by that warning...

[Voznesenskiy, interrupting] You have the clock in front of you.

[Pavlov, continuing] ...Because I haven't even had time to sort out all the questions. When I got 80 or so questions coming in, I simply ceased to able to cope with the flow. All the questions I am holding here in my hands essentially boil down, I think, to just one question: The question of rumors. Here's one: Will there be an increase in food prices? Persistent rumors are going round, and it's unpleasant to hear them. I would like to know whether it's true or not. Here, I'll choose another one: The people are gossiping a lot about a rise in food prices. Is there going to be one or not? I could take any one of these. At the same time there's a question like this: You shouldn't make broad political-economic conclusions about matters of pricing. We would like to hear specific answers to questions about food prices and how much they are to be increased. Well, what am I to reply to all these questions? I should probably say quite simply that today, as Mikhail Sergeyevich Gorbachev has said, we have to learn to live and work in conditions of democracy and glasnost. So the very fact that the plenum decided on the need for an interconnected restructuring of the system of prices, including retail prices, has given rise to this stream of all kinds of rumors. And strange as it may seem, any statement in the press by one official or another of whatever organization -- generally scientists or representatives of certain departments -- on this matter is immediately represented, perhaps in some cases unintentionally, in other cases intentionally, as meaning that prices are to rise immediately tomorrow. And I have to say that in the committee we get a host of letters like that asking what date it will start and stating some amount, but I have to say honestly that even I don't know. And so, we have no intention for the time being of saying that prices will be this or that, not this year or next year, at any rate. Actually, in accordance with the plenum decisions, we have started working on these issues, but today we do not even have what I would call satisfactory material in the committee itself to be able to take it and discuss it with the central economic departments, let alone put it up for nationwide discussion, in accordance with the law passed by the Supreme Soviet session on the discussion of important matters in the country's political and economic life. To start off, we ourselves have to ensure we have some option that could indeed be the subject of such discussion. As yet we won't have any such option, so I would ask all the comrades in this case to express their opinions on the question, but not to consider that their opinions are in fact decisions on the issue, particularly since it is a matter that plainly affects everyone and is a major sociopolitical issue in our country. At the same time, a great number of questions have been raised here which simply, I think, confirm that this work needs to be carried out. For example...

[Voznesenskiy, interrupting] No, Valentin Sergeyevich, we'll believe what you say! This is a case where that's what we'll have to do!

[Pavlov] I think that...

[Voznesenskiy, interrupting] Thank you. We'll believe you! Ivan Ivanovich?

[Gladkiy] I've got a lot of questions from viewers on the improvement of pension arrangements. Tatyana Yegorovna Belova writes, or rather calls to say that the questions were asked, but they didn't hear any replies. That's one. Then Yakov Naumovich Bakhnov calls and asks why nothing was said about the pension age. Sergey Vasilyevich Frolov calls and says: Recently there have been persistent rumors that the pension will be augmented based on the last 5 years of work. In addition, men will retire on pension at the age of 65, and women at 60. Esteemed comrades, my answer would be as follows. First let us agree on this. No one intends to retire men at the age of 65 and women at the age of 60 because the State Committee for Labor and Social Problems, the State Planning Committee, the Finance Ministry, and the AUCCTU are now working on a draft law on pensions, and the age question is not raised there. As far as the overall ideology is concerned, it is still too early today to say what the fundamental ideas will be, including the business of the last 5 years. All I can tell you is that the size of the pension will be closely linked with what the labor contribution was, so there will be differentials between people who have been at work for 25 years and people who have been working for 45 years, and between the people who have worked well and the people whose work has been average. That will be considered in the new law; that will be one of the fundamentals. The pension level will be raised substantially, and pensions will be standardized for all strata and groups of the population -- in other words, manual workers, office workers and kolkhoz workers. Then, when the draft law has been drawn up, there will be a nationwide discussion. I've got one viewer's question here: They said the law was going to be published in June, but it hasn't been. Esteemed viewers, the draft law will be drawn up only in 1988, and after it is approved it will be published for nationwide discussion, and you will take an active part in this. There are more than 100 questions on pensions where an address is supplied, and we will take up Boris Leontyevich's suggestion and reply to these specific questions.

[Voznesenskiy] O.k.

[Sitaryan] Lev Aleksandrovich, I've received a great many questions, different questions, and I even find it embarrassing because I would like to reply to each of them. However, I also promise that wherever an address is given, I will definitely send a reply so as not to miss a single question. A large group of questions is connected with the whole system of establishing economic norms. There's a great deal of criticism about those norms, that they are sometimes unfair, not uniform, that some organizations pay more into the budget while others pay less, some have large allocations, others small, and so on. I won't list everything to save time. Yes, it's true that questions of the quality with which norms are drawn up are today assuming exceptional importance. Due to lack of time it will be very difficult for me to say in more detail what is being done in this area.

However, what I could say briefly is that considering the pros, but chiefly the cons, of the procedure we used to draw up norms for enterprises in the first group that began operating in 1987, we are currently attempting to put together norms that are more refined and more well-founded. But what I would like to say in general -- for which I hope I will be forgiven -- is that with the existing prices, with the existing varying rates of profitability, and at a time when the plan has already been put together, it will be very difficult to level out all the norms. To give an illustration: the Basic Guidelines say that there should generally be a single rate of repayment on allocations given, not only for sectors, but for industry as a whole. Today we do not have the conditions for implementing that requirement. We have enterprises that are simply loss-makers, making perhaps a loss of 13 percent. We have a huge number of enterprises with norms of 5 percent, 6 percent, and 10 percent profitability. And it is clear that if we put this requirement on them, we will be unable to assemble the model of financial autonomy that is now being built. So during the first stage there will be some deviations. But the basis, I repeat, is that we will be trying to make these norms as refined as possible using the experience we have, in particular the experience of enterprises in the Ministry of Chemical and Petroleum Machine Building. And here is one question that apparently concerns everyone here somehow, but me in particular: Are we confident that the restructuring we have started will carry through to the end?

[Voznesenskiy] Who asked the question?

[Sitaryan] Comrade Mikhail Vasilyevich Shcherbata from Krivoy Rog. He says: I am sure that to complete the restructuring, we have to break many of the interrelations in our society. We agree with this approach to restructuring and we have tried to convey the approaches to these matters that are now taking shape in the planning system, the material and technical supply system, and the pricing system.

[Tolstykh] Meaning not just to break, but also to build.

[Voznesenskiy] To build, yes, and at the same time.

[Sitaryan] Well, by breaking I mean also building. I don't even think the question had the intention of simply breaking!

[Voznesenskiy] Dear comrades. To conclude the program, permit me to note several points. The first is that the level of activity on the part of our esteemed television viewers today surpasses anything there has been during the 7 years of this programs existence. I must tell you that I've just been given this bundle of questions that I -- not to mention you -- have not managed to see and consider. We have a good practice in our program. When all these questions have been categorized without exceptions, we pass them on to you, the participants in the program. If there remain among these questions -- and I have no doubt about this today -- some which are of fundamental importance, which touch upon the interests of a wide circle of people, we request you to give your reactions to these questions not just as part of the job, as you said yourselves. We request your permission to come directly to your offices and to chat with you before a video camera so you can have the opportunity to satisfy a greater number of our esteemed television viewers. I hope that there will be no objection to this request, to this proposal, on your part.

[Unidentified voices] We'd be pleased to.

[Voznesenskiy] Thank you. Thank you. And we shall prepare programs on a number of other questions. I shall now reply to some questions that have come in about this. Comrade (Aleksandr Samuilovich Nizhnik), an engineer from Dnepropetrovsk, says that these questions being raised by the program have practical application in the work of enterprises: Do you propose to publish them for a wide readership in some magazine? If so, in what magazine and when? Comrades, we shall try to do this, but since all this extreme interest in these problems, in this program, is somewhat unexpected, I'm not prepared to reply specifically to this question today. The success of restucturing depends first and foremost on the success of restructuring in the economy. The success of restructuring in the economy depends on restructuring in its management. The success of restructuring in management depends on how energetically and consistently we all follow the path of shifting the center of gravity to economic methods of management. I thank you for your participation in this program and I thank our comrade television viewers for their high level of activity that displays not just interest in the program and in the problem, but also a high degree of civil activity and involvement. All the best, comrades.

HURRICANE, SEVERE WEATHER DAMAGE REPORTED

Kalinin Oblast Hit

LD081636 Moscow TASS International Service in Russian 1514 GMT 8 Aug 87

[Text] Moscow 8 Aug (TASS) -- Hurricane-force winds and pelting rains which have struck western rayons of Kalinin Oblast (central Russia) have caused great damage to the economy. Hundreds of kilometers of power lines have been put out of commission, which has created difficulties in the work of the enterprises of industry, of medical establishments and, in particular, of livestock farms. More than 3,500 inhabited points and about 2,000 livestock sites have been left without power. Telephone communications have been interrupted, roads have been washed away, and many bridges have been swept away.

As a result of the abundant rainfalls -- in the city of Beli for example, their 2-monthly norm feel in the course of 3 days -- meadows with hayricks have disappeared under water, and cattle have had to be transferred onto rafts. The wind tore the roofs from houses and toppled trees and communications installations.

An extraordinary commission has been set up in Kalinin to combat the consequences of the elemental catastrophe. Two hundred teams of townspeople have been despatched to the affected rayons to restore the power lines.

Television Shows Damage

LD100946 [Editorial Report] Moscow Television Service in Russian at 0300 GMT on 10 August in the "90 Minutes" program carries a 2-minute report over video by an unidentified correspondent about a cyclone which raged for 2 days in the Upper Volga region.

The report opens with video pictures of flooded village streets, broken fences, bulldozers clearing roads and embankments, flattened grain, and work being carried out on telephone lines. The correspondent describes the events which took place saying: "The old inhabitants say this is unprecedented. In just 2 days the average rainfall for 2 months fell. Gusts of wind reached 25 meters per second. The western rayons of Kalinin Oblast suffered particularly badly -- Nelidovskiy, Zapadnodvinsky, and Belskiy Rayons."

The correspondent explains that an oblast emergency commission has just arrived in Belskiy Rayon where the water level in the River Orsha rose 8.5 meters above normal: "The water swept away bridges, light buildings, haystacks, fences, green houses, and roads." The correspondent goes on: "The hurricane winds exceeded even the destructive force of the water: 3,500 settlements were left without electricity, including over 1,000 livestock breeding premises. Eight rayons in the oblast were left without communications."

The correspondent ends his report by describing the restoration of communications lines and electricity supplies. "The situation is returning to normal," he concludes.

Moldavia Region Reports

LD111404 Moscow Television Service in Russian 1312 GMT 11 Aug 87

[From the "Novosti" newscast; video report by correspondent Yuriy Pavlov in Moldavia]

[Text] In the last 2 weeks a strong hurricane wrought havoc in Ungenskiy Rayon in the Moldavian SSR. The raging elements took a quarter of an hour to inflict R3 million worth of damage to the Pogranichnik Sovkhoz. This is what the sovkhoz garden looks like. Some 4,000 tons of fruit are on the ground; 200 hectares of corn have been destroyed. The rural school, farm outbuildings and homes have been destroyed.

A commission, charged with the task of eliminating the consequences of this natural disaster, is at work. Repair work is underway in the Lenin, Leninskiy Komsomol and Kalinin Kolkhozes and other rayon farms which lay in the hurricane's path.

According to preliminary calculations, material losses in Ungenskiy Rayon alone amount to R7 million. Torrential rain, and hurricane-force winds have also crossed the Chernenkovskiy and Teleneshtskiy Rayons of the republic.

Repairs Underway

LD111635 Moscow World Service in English 1500 GMT 11 Aug 87

[Text] Heavy damage has been caused by a powerful cyclone that dashed over a vast territory in the Soviet Union's European part. The cyclone originated gale force winds, outpours and hurricanes. It put out of action hundreds of kilometers of power transition lines [as heard], damaged telephone communication lines, washed out roads and pulled down a great many bridges and other installations. A great part of the damage has been repaired.